FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 002 *3 January 1985*

ARGENTINA

Malvinas Oil Prospecting Issue Draws Comment B 1
Caputo Statement B 1
Government Position B 1
'Retaliatory Actions' Demanded B 2
Shipbuilding, Repair Contacts With Poland Noted B 2
[BUENOS AIRES HERALD 29 Dec]
Official Comments on Coal Use, Ties With Chile B 2
Appellate Court To Try Military Junta Members B 3
Retired Colonel Warns of Military 'Disorders' B 3
[BUENOS AIRES HERALD 29 Dec]

BRAZIL

Figueiredo Delivers New Year Address to Nation D 1
President's Back Problem May Require Surgery D 2
Northeastern Governors Form 'Political Bloc' D 2
[FOLHA DE SAO PAULO 29 Dec]

COLOMBIA

Spain's Right To Try Diplomat Questioned F 1
Journalists Arrested for Cocaine Smuggling F 1
Reportage on M-19 Conflict, Peace Efforts F 1
Nation Urged To Unite F 1
Truce Consolidation Sought F 2
Navarro Wolf Views Situation F 2
Army Continues To Harass F 2

ECUADOR

Teran Comments on Government's Foreign Policy G 1
On Relations With Peru G 1
Increases in Fuel Prices, Fares Spark Protests G 1
Explosion Damages Guayaquil Radio Station G 2
Briefs: Ambassador to UK G 2

PERU

Belaunde Views Government Performance in 1984 J 1
Chief of Staff Installed as Army Commander J 1
Shining Path Forces Attack University, Towns J 2
Kill 40 Peasants J 2
Briefs: 1984 Inflation Rate J 2

VENEZUELA

Lusinchi Reviews Accomplishments of First Year L 1

MEXICO

PRI Leader Condemns Political Violence M 1
De la Madrid Hails Armed Forces' Loyalty M 1
PEMEX 1984 Crude Oil Exports Exceed $16 Billion M 1
Increases in Steel Production, Sales Reported M 2
PAN Said Responsible for Disorder in Coahuila M 2

PANAMA

Foreign Minister Discusses Talks in U.S. N 1
[LA ESTRELLA DE PANAMA 30 Dec]
Briefs: Investment Committee Formed N 3

CENTRAL AMERICA

BELIZE

Esquivel Meets Caribbean Leaders in Grenada P 1

COSTA RICA

Officials To Hold Talks With Mexico on Contadora P 1
Briefs: $25 Million Payment to Mexico; P 1
U.S. AID Donation P 2

EL SALVADOR

FDR's Zamora Discusses Dialogue With Government P 2
[Radio Sandino]
Supreme Court President on Release of Prisoners P 4
[LA PRENSA GRAFICA 31 Dec]
Armed Forces Develop Antiguerrilla Strategy P 5
Catholic Movement Reiterates Position P 5
[EL DIARIO DE HOY 28 Dec]
FCER Occupies Radio Stations, Broadcasts Message P 6
[EL MUNDO 31 Dec]
Shooting Incident at San Carlos Barracks 31 Dec P 6
FMLN Reports 'Truce Violations' in Usulutan P 7
[Radio Venceremos]
Briefs: Brigade Commander Appointed P 7

HONDURAS

Suazo Cordova New Year Message to Nation P 7
Political Personalities Issue Manifesto P 11
M-LIDER's Roberto Reina Appeals for Unity P 12

NICARAGUA

Ortega on 1984 Accomplishments, 1985 Plans P 14
Delgadillo Calls for Constructive Criticism P 18
Feature Notes Optimism Over New Year Prospects P 19
COSEP Says Debt Equals 10 Years of Exports [ACAN] P 19
Marxist-Leninist Party Reviews 1984 Actions P 20
Radio Impacto on Arrest of Managua Correspondent P 20
ARDE Directorate Issues Message on 1985 Goals P 21
[Voice of Sandino]

CUBA

Soviet Flotilla Ends Official Visit 2 Jan Q 1
Afghanistan Sends Congratulatory Message Q 1
Bolivian Government Must Stabilize Economy Q 1
Commentary Examines Latest Bolivian Crisis Q 2
PAN Promotes Political Violence in Mexico Q 3
Commission Formed To Plan 3d Party Congress Q 3

DOMINICAN REPUBLIC

Delegation to Venezuela To Discuss Oil Supply R 1
Refinery President Comments R 1
Bosch Denies Accusing Pena of Accepting Funds R 1

CARIBBEAN

Caricom Council of Ministers To Meet 28-31 Jan S 1

DOMINICA

Prime Minister To Hold Aid Talks With Canada S 1

GRENADA

1984 Reported Most Successful Tourism Year S 2

JAMAICA

Seaga Announces New Job-Generating Projects S 2
Trade Agreement With USSR Causes 'Friction' S 3
Aid Pledged for Ethiopian Famine Victims S 4
Opposition PNP Seeks 1985 General Elections S 4

ST VINCENT AND THE GRENADINES

Increased Banana Exports Reported for 1984 S 5

TRINIDAD AND TOBAGO

1984 Economic, Political Problems Viewed S 5

GUYANA

Burnham: 1985 'Promising But Difficult' T 1
TUC Willing To Cooperate With Government T 1
Jagan Calls for Political Party Conference T 2
DPRK To Aid in Agricultural, Industrial Projects T 2
GAWU Prevented From Aiding Striking UK Miners T 2

OTHER COUNTRIES

BOLIVIA

Foreign Minister Says Talks To Begin With Chile V 1
[LA PRESENCIA 23 Dec]

CHILE

Merino Says Junta Cannot Amend Beagle Treaty V 1

PARAGUAY

Finance Minister Comments on Foreign Debt V 1
[EL DIARIO 30 Dec]

SURINAME

Udenhout, Seven Cabinet Members Reappointed V 2

URUGUAY

Military Courts Free 8 Political Prisoners V 2
Two Broad Front Offices Bombed; No Injuries V 2

MALVINAS OIL PROSPECTING ISSUE DRAWS COMMENT

Caputo Statement

PY022052 Buenos Aires TELAM in Spanish 1848 GMT 2 Jan 85

[Text] Buenos Aires, 2 Jan (TELAM) -- Regarding the concessions that Great Britain may eventually grant to a U.S. enterprise to exploit oil in areas adjacent to the Malvinas Islands, Foreign Minister Dante Caputo today said that Argentina will not acknowledge any type of concession granted by a power that is occupying national territory. Caputo noted that up to now Argentina has not issued an official protest in this regard, because we have no official information that a concession has been granted. He added: But we shall act accordingly, that is, we shall issue a protest note if necessary. Moreover, Caputo denied that the Argentine Government had learned about the eventual concession in October when, according to a report from London, the Foreign Office secretary had informed the House of Commons that it had been decided to grant this concession. Caputo noted: We have no official information in this regard.

Caputo, who made this statement to the press at Government House after holding a meeting with President Raul Alfonsin, noted that he believes that up to now there has been no particular improvement in Argentine-British relations. Minister Caputo said he hopes relations will improve and that Great Britain will eventually resort to reason. So far, he said, I have observed a continuous British refusal to hold negotiations, which it had in fact agreed to hold before 1982 when the South Atlantic conflict occurred.

As for today's meeting with President Alfonsin, Caputo said that they mainly discussed the President's meeting with his Brazilian counterpart, Joao Baptista Figueiredo, on Wednesday, 9 January. Concerning the Alfonsin-Figueiredo meeting, which will take place in Foz de Iguazu in Brazil, Caputo said: "During the meeting with the president we made specific arrangements for this meeting becasue we attach great significance to it." Caputo said that it is probable that he will make statements to the press tomorrow to outline the most important matters that will be discussed during the meeting with President Figueiredo.

During today's meeting, President Alfonsin and Caputo also discussed overall policy for 1985 and some aspects of the actions the government has been carrying out.

Government Position

PY030204 Buenos Aires DYN in Spanish 2335 GMT 2 Jan 85

[Excerpts] Buenos Aires, 2 Jan (DYN) -- The Argentine Government today formally stated that it will not recognize any agreement Great Britain may conclude for the prospecting of oil in the Malvinas Islands and noted that this type of attitude "can seriously undermine the possibility of resuming negotiations" under UN sponsorship between the two nations on the sovereignty issue over the archipelago. Shortly before 2000 tonight, San Martin Palace issued a formal communique that states:

"According to international press reports, the British Government has reportedly granted permission to an oil company to explore and prospect for oil in the Malvinas Islands. As it stated earlier, the Argentine Government hereby reiterates that since the Malvinas Islands and the other areas mentioned are part of the national territory it does not recognize and will not concede to anyone property rights over them or any right to exercise activities related to the exploration and prospecting for hydrocarbons.

"Therefore, as it clearly stated earlier, the Argentine Government, will not recognize and will regard as irreversibly invalid any activity, measure, or agreement that the British Government should conclude or adopt with regard to the islands and the adjacent maritime area, which are the subject of a sovereignty dispute. The Argentine Government will also consider the implementation of acts of this type as contrary to the UN resolutions on the Malvinas Islands, which are clearly designed to achieve a peaceful solution to this dispute between the two countries.

"Therefore, the Argentine Government reaffirms once again its unrenounceable sovereignty over the Malvinas Islands and states that any possible action of this type can seriously undermine the possibility of resuming negotiations and jeopardize the good offices mission entrusted to the UN secretary general in compliance with UN General Assembly resolutions."

'Retaliatory Actions' Demanded

PY030224 Buenos Aires TELAM in Spanish 2248 GMT 2 Jan 85

[Text] Buenos Aires, 2 Jan (TELAM) -- Christian Democratic Party Deputy Augusto Conte today demanded that Argentina take retaliatory actions against the United Kingdom if the press report about an alleged British Government decision to drill for oil in the Malvinas Islands is true. Conte said that the British prime minister is literally robbing us, and he proposed that for each ton of oil the UK snatches away from us, Argentina should confiscate its equivalent in the millions of hectares of land in the Patagonia that belong, although somewhat surreptitiously, to the British crown. In a press communique, Conte states that it is not Leopoldo Galtieri and his irresponsible gang who should adopt extreme measures this time, but the entire Argentine people, in an exasperated and annoyed, but nonetheless mature and sensible attitude.

SHIPBUILDING, REPAIR CONTACTS WITH POLAND NOTED

PY291350 Buenos Aires BUENOS AIRES HERALD in English 29 Dec 84 p 15

[Excerpts] According to statements made in the official publication of the Polish chamber of foreign trade, maritime branch, Gdynia, a good deal has been said recently about reciprocally advantageous economic relations between Poland and Argentina. They affect a number of branches, mainly maritime industry. Attention focuses chiefly on the implementation of an order placed by the Polish Steamship Company (PSC) with the Argentine shipyard Astilleros Alianza SA covering eight super-modern bulk carriers -- six of 27,000 DWT and two of 60,000 DWT. But the Polish-Argentine maritime contacts are not only limited to building ships for the Polish Steamship Company. The Argentine industry has also been entrusted with repairing ships operated by Polish owners and a project to establish mixed fisheries is being seriously considered.

OFFICIAL COMMENTS ON COAL USE, TIES WITH CHILE

PY291910 Buenos Aires TELAM in Spanish 1245 GMT 29 Dec 84

[Excerpt] Mar del Plata, 29 Dec (TELAM) -- Government Coal Deposits (YCF) President Enrique Spangenberg has stated that by using coal from Argentina we are saving much more expensive and scarce fuel, and that Argentina has coal resources for more than 100 years, oil for 40, and gas for 50. He also spoke about the need for integration with Chile in this respect, because we rely on Chilean labor at the Rio Turbio coal deposits.

In comments to a Mar del Plata newspaper today, Spangenberg spoke about the importance of Argentina's coal reserves and said that by using coal we will save scarcer fuel. He explained that savings are mainly made in the field of electric energy production. The main coal reserves are located in Rio Turbio, 3,000 km from Buenos Aires on the Chilean border. This is why he stressed the importance of the need for integration with Chile, which is the policy being pursued by the current government.

APPELLATE COURT TO TRY MILITARY JUNTA MEMBERS

PY281315 Buenos Aires TELAM in Spanish 1047 GMT 28 Dec 84

[Excerpt] Buenos Aires, 28 Dec (TELAM) -- The members of the first three military juntas of the military government will be tried by the appellate court and not by the Armed Forces Supreme Council for the abuses committed during the repression against the armed subversion. This ruling was adopted by the nation's Supreme Court through a decision pronounced last night. The decision was immediately extended to the former commanders who are being held at the Magdalena Military Prison.

The court has reiterated that the trial of the former military commanders will be conducted within the framework of full respect for constitutional provisions and guarantees. The court also states that constitutional procedures will be followed in hearings and in fair trials on the serious charges brought against the defendants on a timely basis. The verdict is signed by Chief Justice Genaro Carrio, by Justices Severo Caballero and Carlos Fayt, and by Justices Cesar Augusto Belluscio and Enrique Santiago Patracchi who voiced their opinions separately.

RETIRED COLONEL WARNS OF MILITARY 'DISORDERS'

PY292145 Buenos Aires BUENOS AIRES HERALD in English 29 Dec 84 p 9

[Text] (NA-DYN) -- Retired Colonel Gustavo Caceres, vice president of the Military Officers Centre for Democracy, stated yesterday that "the whole structure of the Armed Forces has reached a sometimes unimaginable limit of poverty" and he warned there would be "dangerous disorders" if justice is not applied within six months in cases of violations of human rights. In an interview published in the latest issue of HUMOR magazine, Caceres also claimed that the government should apply the law for other crimes, such as "the illicit gains of some military men during the de facto government."

Caceres, director of intelligence at the Foreign Relations Ministry and a member of the Radical Party, said he considered the measure reducing the budget for military defense as "very negative" because it was not applied together with other measures: the Armed Forces have kept the same size but can only count now on half the resources. He pointed out that the government has the obligation to solve the budget issue because it creates an "absolutely unfavourable spiritual situation."

Meanwhile, the Union of Government Suppliers (UAPE) announced yesterday it had reached an agreement with the Army to cancel its $a12 billion (thousand million) [peso] debt for supplies provided, through a payment plan based on a system of scales. The announcement said an agreement had been reached to "continue supplying victuals for 15 days" during a meeting attended by head of the Joint Chiefs-of-Staff General Ricardo Pianta and Army Supply Chief General Vicente Belli.

FIGUEIREDO DELIVERS NEW YEAR ADDRESS TO NATION

PY291110 Brasilia Domestic Service in Portuguese 2200 GMT 28 Dec 84

[Speech to nation by President Joao Figueiredo on 28 December; place not given -- recorded]

[Excerpts] Brazilians: The world recession of the last few years has affected Brazil (?in many ways). It has upset its socioeconomic life. It has disturbed its political atmosphere. It has brought suffering and difficulties, above all to the have-nots. It has made government tasks more difficult to accomplish. It has forced the government to devote more time to coping with the crisis, at the expense of the creative and productive work that serves to bring about changes. It has called for unexpected sacrifice from Brazilians. It has tested their resolve, their ability to face and solve problems, their spirit of sacrifice, their understanding, their realistic approach, their willingness to struggle, and the strength of their enthusiasm when it is necessary to say no to disappointment and pessimism.

Reliable indexes have indicated that we are gradually resuming our growth. Full of promise, prosperity has returned. The favorable prospects for our economy have awakened expectations of better days for Brazilians. Thus, we are approaching a more favorable period for economic progress and social development.

If this atmosphere of revitalization remains unchanged and there is every reason to believe that it will, the factors that have disrupted national life shall not act as intensely as in the past.

The security and the tranquillity of any nation can only be complete if they are based on freedom, which is, par excellence, the guarantee for a more open and equitable society in which dialogue and harmony among all legitimate interests are easier tasks; a society in which the ideal of social justice is a constructive principle of political life; a society in which true and not merely formal democracy prevails.

The full democracy that we want gives society the chance for continuous improvement, for the rational solution of its own problems and crises. Within this context, politics, as the art of engaging in dialogue, debate, and endeavor, will resume its leading role in society.

At the service of democracy, we have conducted the political process with a spirit of understanding and tolerance, thus allowing the succession stage to develop without either pressure or turbulence.

At this critical point in our political history, the transfer of power will take place democratically. Our ideal was to attain understanding, or perhaps even a consensus, among party movements.

We could not attain the objective of perfection we had wished for. Yet we succeeded in creating an atmosphere that favors cooperation in a power scheme (?created with the participation) of all party trends and organizations.

The preservation of the values we are defending is essential for our country, because we must be ready to face, as we have already said, what has not happened yet.

During the rest of this century, we shall witness more changes than mankind has thus far witnessed. This is [words indistinct] prophets of today, the present is a harbinger of the future.

The future of changes which lies ahead of us will be a future of problems. The solution to those problems within a social context will rely essentially on politics and on politicians, that is, on politics and the political class.

The spiritual and moral forces which have guided us will preserve the security of our historical future. Disagreements over methods or process shall not make us veer from the course leading to our great national targets, provided that, contrary to what has thus far happened, political sincerity places the higher interest of the nation above personal interests.

Because of their civic and human values, Brazilians deserve the great nation for which I have the honor of being responsible. Brazilians also deserve the joy that I wish to them with all my heart for the year that is about to begin. The source of this joy lies essentially inside each one of us, in the capacity that each one of us has to find in himself, at any time and under any circumstances, a reservoir of energy and goodness to promote one's own happiness and the happiness of one's fellow beings. Good night and thank you very much.

PRESIDENT'S BACK PROBLEM MAY REQUIRE SURGERY

PY030128 Madrid EFE in Spanish 0020 GMT 3 Jan 85

[Text] Brasilia, 2 Jan (EFE) -- Brazilian President Joao Baptista Figueiredo was today unexpectedly flown to Rio de Janeiro to be admitted into a clinic for medical examinations to determine whether he needs an operation on his spinal column.

An official spokesman said that the 66-year-old General Figueiredo suffered a recurrence of his herniated disc last week, and that this has forced him to be admitted into the San Jose Clinic in Rio de Janeiro. Over the last 2 months President Figueiredo has been receiving medical treatment on his back from Sao Paulo Dr Haruo Ishimisura, who recently authorized the president to resume his physical exercises and horseback riding. However, over Christmas the president suffered recurring pain that forced him to rest.

President Figueiredo will be examined today by Dr Paulo Niemeyer, who operated on Figueiredo before he became president in 1979. The television tonight reported that if the doctors decide the president should be operated on, the surgery will take place tomorrow, 3 January. Diplomatic sources in Brasilia have reported that if the president undergoes surgery, his meeting with Argentine President Alfonsin, scheduled for 9 January in Foz de Iguazu, will be canceled.

NORTHEASTERN GOVERNORS FORM 'POLITICAL BLOC'

PY020200 Sao Paulo FOLHA DE SAO PAULO in Portuguese 29 Dec 84 p 6

[Article by correspondent Luis Ricurdo Leitao]

[Excerpts] Natal -- As of 16 January 1985 governors of the northeastern states who are supporting indirect presidential candidate Tancredo Neves will act as an independent political bloc, even though they belong to different parties, in order to effectively exert pressure on the federal government to obtain a greater share of power for the region and to influence the federal government's priorities. Yet the unity of the northeastern governors is threatened by Paraiba Governor Wilson Braga's decision to support Social Democratic Party candidate Paulo Maluf in the 15 January indirect elections.

SPAIN'S RIGHT TO TRY DIPLOMAT QUESTIONED

PA311526 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 31 Dec 84

[Text] [Bogota] -- Attorney General Carlos Jimenez Gomez has said that Gustavo Jacome Lemus, second secretary of the Colombian Embassy in Spain, should be tried in Bogota and not in Madrid. Serious doubts about Spain's legal right to try a Colombian diplomat has circulated over the past few days. It has been said that top foreign service officials are protected by a special decree leaving them under Supreme Court of Justice jurisdiction should they commit a crime.

With regard to Mr Jacome Lemus' case, Attorney General Jimenez Gomez said that Colombia would be giving up its jurisdiction and sovereignty should it allow Jacome Lemus to be tried by Spain rather than by Colombian authorities because he allegedly committed a crime while in public office. Moreover, Jacome Lemus committed a crime against the state and (?tarnished) the country' international image. The views of the attorney general were conveyed to the ministers of justice and foreign relations, who will in turn convey them to President Betancur to determine whether actions to bring Jacome Lemus back to be tried in his homeland will be carried out.

JOURNALISTS ARRESTED FOR COCAINE SMUGGLING

PA022233 Madrid EFE in Spanish 2009 GMT 2 Jan 85

[Text] Bogota, 2 Jan (EFE) -- Two journalists attached to the Colombian Presidency were arrested today on charges of using the diplomatic pouch to send cocaine to Madrid. The journalists arrested by order of the 53d military criminal court are Juan Castillo Munoz, international press chief of the Narino Palace, and Carlos Osorio, a journalist on the press office staff.

The information was confirmed by F-2, Colombian secret police, officials who took the arrested journalists to Bogota Model Jail.

REPORTAGE ON M-19 CONFLICT, PEACE EFFORTS

Nation Urged To Unite

PA011918 Paris AFP in Spanish 1644 GMT 1 Jan 85

[Text] Bogota, 1 Jan (AFP) -- The Colombian 19 April Movement (M-19, extreme nationalist leftists) guerrillas, today made a call to the entire nation to unite in order to establish national peace during 1985. In the message signed by guerrilla leaders Antonio Navarro Wolf, Vera Grabe, and Israel Santamaria and broadcast on occasion of the new year, the M-19 expressed its hopes for the construction of a new Colombia "that lives up to our dreams."

The rebel group, which midway through 1984 committed itself to a truce with the government of President Belisario Betancur, affirmed that it will live up to the promise to achieve harmony and understanding among Colombians.

"Peace is the business of us all, and it is the country's heritage, so we should join the struggle and decide to be triumphant on the path to peace and happiness in constructing a Colombia that lives up to our dreams," the communique states.

Meanwhile, M-19 spokesmen said that a definite solution has not as yet been found for the conflict in Corinto, a southwestern province in the Cauca region, between a large column of the M-19 and the Army, which resulted in strong and successive clashes in mid-December.

The M-19 has indicated that it will continue the talks with the government and the state peace commission in Bogota in order to ensure a definite cease-fire.

Truce Consolidation Sought

PA020358 Paris AFP in English 0347 GMT 2 Jan 85

[Text] Bogota, Jan 2 (AFP) - Colombia's biggest guerrilla organization, the leftist April 19 Movement (M-19), appealed in a New Year's message Tuesday for all citizens to join efforts to consolidate the one-year truce signed [word indistinct] guerrilla groups last August. M-19 appealed for "building a Colombia in the shape of our dreams." But M-19 spokesmen said its negotiations here with the government have not yet resulted in a solution for the two weeks of skirmishing in southwestern Colombia that has endangered the ceasefire. Troops are surrounding an M-19 camp outside Corinto, where 12 guerrillas and one soldier have been killed.

Meanwhile, police reported that more than 50 people were killed in New Year's eve revelry, most in drunken brawls. The traffic death toll was sharply reduced by close police surveillance of roads.

Navarro Wolf Views Situation

PA310247 Bogota Cadena Radial Super in Spanish 1730 GMT 29 Dec 84

[Text] Antonio Navarro Wolf, leader of the 19 April Movement, M-19, has described the situation in Corinto where the M-19 is clashing with the Army as very delicate. He also referred to the possibility that the Army will unleash an intense anti-guerrilla operation before the end of the year. Navarro Wolf made the following statement to Cadena Radial Super:

[Begin recording] We have confirmed that the Army is using artillery fire, 81mm and 120mm mortars, to attack our positions. The attack is so intense that the civilian population is abandoning the zone, while the military continues closing in on our positions. All this makes us believe that the Army is going to increase its operations against our companeros in Corinto. [end recording]

Navarro Wolf also mentioned a communique of doubtful authenticity attributed to the M-19 Coordinating Board in the western region which criticizes the truce and cease-fire process, and demands the removal of the M-19 supreme command.

Here is what Navarro Wolf had to say:

[Begin recording] I have no knowledge that the M-19 wrote such a communique. For us, this is another example of the black propaganda of the intelligence and counterintelligence department. [end recording]

Navarro Wolf added that the letter to Pope John Paul II is another M-19 alternative in the search for a serious solution to the situation.

Army Continues To Harass

PA021554 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 2 Jan 85

[Text] Bogota -- Government commissioners who verify the cease-fire have confirmed that the Army continues to harass the 19 April Movement [M-19] camp in San Pablo, Corinto, Cauca Department. A report issued to National Peace Commission President John Agudelo Rios and Government Minister Jaime Castro by commissioner Hernan Villamarin asserted that the withdrawal of the M-19 rebels has been fulfilled. The report added that the military activities cease as soon as the peace commissioner's presence is detected.

TERAN COMMENTS ON GOVERNMENT'S FOREIGN POLICY

PA021551 Quito Voz de los Andes in Spanish 1130 GMT 2 Jan 85

[Text] The current government's foreign policy has been directed at maintaining clarity and pragmatism in international relations. Its greatest objective has been to defend the interests and rights of the Ecuadoran people, Foreign Minister Edgar Teran has said. Teran pointed out that in matters of international policy, the Leon Febres Cordero regime is willing to ensure that the principles of nonintervention in the internal affairs of other states and the self-determination of peoples be given equal acknowledgement and importance, regardless of the form, geographical zone, or political bloc the country may belong to.

In an interview published in the newspaper (HOY), the chief of Ecuadoran diplomacy reiterated that human rights should be a reality, without distinctions of a political or ideological nature. He labeled terrorism and drug trafficking true crimes against humanity and rejected the arms race. Referring to integration, he pointed out that the countries in the region should not only increase their friendship, but should substantially improve their trade exchange and economic cooperation.

On Relations With Peru

PA311521 Quito Voz de los Andes in Spanish 1130 GMT 31 Dec 84

[Text] In reporting on the Foreign Ministry's work from August until the end of the year with regard to international policy, Foreign Minister Edgar Teran said: Ecuadoran-Peruvian relations have been taking place within a framework of marked understanding and friendship since President Leon Febres Cordero took power.

He added: This has allowed us to resolve incidents involving fishermen that took place in the territorial waters of the two countries. Teran stressed that the death of an Ecuadoran sailor at the hands of Peruvian patrols brought about subsequent diplomatic action by our country's Foreign Ministry.

Teran pointed out that the Ecuadoran Foreign Ministry is concerned about safeguarding national sovereignty, defending territorial integrity, which is traditionally respected and enforced, and other matters in which our country has been involved.

The foreign minister expressed the stand of President Leon Febres Cordero's administration on the country's territorial controversy with Peru. He said: Ecuador, in keeping with its traditional respect for the law and peace, will seek to strengthen friendly relations with the Peruvian Government and promote the creation of an atmosphere of understanding so that a just and honorable solution to current problems can be reached.

INCREASES IN FUEL PRICES, FARES SPARK PROTESTS

PA022024 Buenos Aires LATIN in Spanish 1838 GMT 2 Jan 85

[Text] Quito, 2 Jan (REUTER) -- University students staged demonstrations and bus owners refused to work today to protest high price increases decreed by the government on Friday.

The Government (Interior) Ministry said that a special security operation is being carried out "to safeguard the country's peace and tranquillity."

There have been no immediate reports of persons arrested or injured but radio stations said that there were sporadic protest actions in the interior of the country.

On Friday, the government of conservative Leon Febres Cordero decreed up to 90-percent increases in fuel prices and in the cargo and bus fares, immediately provoking adverse reactions from various organizations that have declared themselves on a state of alert.

The United Workers Front (FUT) which includes the country's main labor unions has announced new mobilizations and the possibility of a nationwide strike.

In December, the government concluded an agreement to refinance the $4.3 billion of its foreign debt that fell due. However, the creditor banks have set the reaching of an agreement currently being negotiated with the IMF as a condition for the disbursement of new resources.

THe FUT has said that the high increases are part of the conditions imposed by the IMF, but government spokesmen have denied this charge.

EXPLOSION DAMAGES GUAYAQUIL RADIO STATION

PA021601 Quito Voz de los Andes in Spanish 1130 GMT 2 Jan 85

[Text] Radio Sucre in Guayaquil suffered a new attack when an explosive device completely destroyed the base of its antenna, causing broadcasts to be suspended. According to reports, the attack took place at 2355 local time on 31 December, just as the old year was ending. The guard said that he thought the explosions were part of the fireworks for New Year's Eve.

BRIEFS

AMBASSADOR TO UK -- Attorney Mauricio Gandara has been appointed Ecuadoran ambassador to Great Britain and its representative to international sugar, coffee, cocoa, and wheat organizations headquartered in London. [Summary] [Paris AFP in Spanish 1436 GMT 29 Dec 84 PA]

BELAUNDE VIEWS GOVERNMENT PERFORMANCE IN 1984

PY311440 Paris AFP in Spanish 2044 GMT 30 Dec 84

[Text] Lima, 30 Dec (AFP) -- In a brief assessment of his government's performance in 1984, Peruvian President Fernando Belaunde today stated in Lima that despite the crisis, the government has improved the economic situation in several areas and that terrorism, although it has not been entirely overcome, has lessened.

Speaking in his last Sunday press conference of 1984 at Government Palace, the chief of state referred to the doubling of cultivated area in Peru, including 3,000 hectares (?cleared) in the jungle area (Amazonia) with six agricultural projects in progress, as the government's most significant achievement.

After emphasizing that these projects are supplemented by roads and highways that make the area the agricultural supplier for the country, Belaunde said that the education, industry, housing and fisheries sectors, among others, have been improved despite gloomy predictions.

Reviewing the difficulties the government has faced, Belaunde said that exports from the mining sector have contributed fewer funds to the revenue office because of their low prices on the world market, where gold and silver are very poorly priced and where the price of copper is at its lowest in the past 50 years.

Concerning the payment of the foreign debt, which amounts to over $13 billion, Belaunde stated that a law for financing the country's budget has been drafted, "which includes some of the suggestions made by the IMF, but not all of them, because we reserve for ourselves the right to analyze every proposal." The president added that the budget confirms this trend, since we have also (?drafted) several economic measures, particularly some taxes.

Belaunde then reiterated that beginning in January the payment of the overdue interest on the foreign debt will be resumed, that the deadline for making those payments expires on 31 December, and that new negotiations will be held with the IMF mission that is scheduled to arrive in Lima soon. [sentence as received]

In this regard, it has been learned that the Peruvian Reserve Bank will grant a $50-million (nearly 250 billion soles) credit, which will be routed through the National Bank, to be utilized for paying part of the foreign debt. It was mentioned that this special measure will be granted to the Economy and Finance Ministry and that the terms of the agreement will be signed by the boards of the two banks in due time.

CHIEF OF STAFF INSTALLED AS ARMY COMMANDER

PY010005 Buenos Aires TELAM in Spanish 2325 GMT 31 Dec 84

[Text] Lima, 31 Dec (TELAM) -- War Minister Julian Julia Freyre today installed General German Ruiz Figueroa as the new commander of the Peruvian Army. Ruiz Figueroa, who was Army chief of staff, is replacing General Francisco Maury Lopez. This change follows the local military procedure by which the Army command changes in December of every year. The Army chief of staff is usually appointed to that position.

SHINING PATH FORCES ATTACK UNIVERSITY, TOWNS

PY312040 Madrid EFE in Spanish 1509 GMT 31 Dec 84

[Text] Lima, 31 Dec (EFE) -- Presumed members of the Maoist Shining Path terrorist organization bade farewell to 1984 in Peru by committing a number of crimes and violent actions.

A Shining Path group yesterday attacked the facilities of the National Agrarian University in Huaral, 80 km north of Lima, by throwing dynamite and causing damage worth over 500 million soles (some $86,000).

In Chimbote, a port located north of Lima, Ancash Department, presumed Shining Path members used fire bombs to attack an office of the ruling Popular Action party, causing serious damage but no victims. This attack took place the day before yesterday but was not learned about until today.

Shining Path subversive yesterday raided the small village of Cullayi, Ancash Department and, after holding a so-called "people's trial," killed policeman Miguel Anipio Vazquez, city hall employee Pompilio Pardo, and an unidentified businessman. Two other people were also injured.

In Lima, meanwhile, the police are making raids and have already arrested nearly 2,000 persons.

In 1983, during the last few days of the year, Shining Path members caused a total blackout in Lima, using bombs to destroy a number of high-voltage pylons.

In turn, the official news agency ANDINA reported on the arrest of Jahuar Orihuela, a former Sole Trade Union of Education Workers leader, who is being charged with perpetrating 46 attacks. According to this report, the arrest took place in the city of Puno, on Lake Titicaca, and, along with Orihuela, other alleged terrorists were also detained.

Kill 40 Peasants

PY011224 Lima Cadena Panamericana Television in Spanish 0300 GMT 1 Jan 85

[Text] Shining Path terrorists have killed 40 peasants in a confrontation with a peasant self-defense patrol that repelled attacks on two towns in Ayacucho Department. Most of the victims were members of the peasant self-defense patrol, which has been organized by the peasants to defend themselves from the Shining Path terrorists. Women and children were among the dead. Six survivors today arrived in the city of Ayacucho and gave an account of the attacks on the towns of Otalca and (Serganda). They said the peasants fought valiantly with the terrorists at close quarters, using knives and clubs.

BRIEFS

1984 INFLATION RATE -- Lima, 29 Dec (AFP) -- National Institute of Statistics Director Graciela Fernandez today reported in Lima that inflation in Peru in 1984 reached 111.5 percent, 13.6 percent below the 1984 rate. [Excerpt] [Paris AFP in Spanish 2205 GMT 29 Dec 84 PY]

LUSINCHI REVIEWS ACCOMPLISHMENTS OF FIRST YEAR

PA312218 Paris AFP in Spanish 1758 GMT 31 Dec 84

[Text] Caracas, 31 Dec (AFP) -- Pope John Paul II's impending visit to Venezuela from 26 through 30 January 1985 was the international affairs highlight of Venezuelan President Jaime Lusinchi's New Year's message read to the country over a radio and television network.

"His Holiness' meeting with our people will be the most important spiritual message and a demonstration of the importance that our country, faithful to its traditions, gives to one who has been a permanent messenger of peace since his accession. Venezuela awaits the visit of the friendly pope with fervor," Lusinchi said in his message.

The social democrat Lusinchi was sworn in on 2 February and so used his New Year's message to his fellow countrymen to speak of what he considered the main achievements of his first year in office.

On international matters, he said: "We have advanced toward a more democratic international panorama, one in which the values of peace and the social and harmonious development of peoples are strengthened as objectives of the international community."

Lusinchi said this opinion was based on the "dialogue that we held at the United Nations, with the President of the United States, and with the heads of state of the Latin American countries."

Despite this, "world peace, and especially peace in Central America, Afghanistan, and the Middle East, experienced some of its most critical moments during this year," Lusinchi said.

On domestic matters Lusinchi underscored the following achievements:

Refinancing the debt. This year Venezuela refinanced 75 percent of its public foreign debt ($20.5 billion of a total of $27.5 billion) "without ties or conditions of any kind."

Overcoming the fiscal deficit. This was achieved with austerity measures and a 74-percent monetary devaluation.

Favorable results in managing foreign accounts: The surplus in the current account is of $4.434 billion and the global balance of the balance of payments is positive by $2.059 billion.

Gross domestic product proceeds decreased 1.7 percent in 1984; however this represented a recovery compared to 1983 when they decreased by 5 percent. This year there was improvement in the areas of agriculture, oil, gas, electricity, and water. The decrease was due to stagnation in the area of construction.

Unemployment was curbed (12.6 percent in November), and "the dangers of inflation originating with the devaluation of the bolivar have been practically controlled." According to the Central Bank, the cost of living index in Caracas will be between 12 and 15 percent this year.

Lusinchi called on his fellow countrymen to work with optimism and promised that in 1989 "I will hand over a recovered and secure country, a new Venezuela."

PRI LEADER CONDEMNS POLITICAL VIOLENCE

FL022344 Mexico City NOTIMEX in Spanish 2230 GMT 2 Jan 85

[Excerpts] Mexico City, 2 Jan (NOTIMEX) -- The use of violence as a political weapon must be energetically condemned because it is something that disrupts society, the PRI official stated today.

Speaking at the New Year's ceremony for President Miguel de la Madrid, the president of the PRI's Executive National Committee, Adolfo Lugo Verduzco, said that the people of Mexico energetically condemn any irresponsible act that attempts to introduce elements of violence and discord into the country. Lugo Verduzco called on all organized political parties to preserve the political system that has brought stability, peace, freedom, democracy, and social progress to the people of Mexico.

President De la Madrid also received a New Year's greeting from the new leader of the National Congress' Permanent Grand Commission Miguel Gonzalez Avilar, who said that 1985 brings with it a great obligation because the 175th independence anniversary and the 75th anniversary of the Mexican revolution will be commemorated.

DE LA MADRID HAILS ARMED FORCES' LOYALTY

FL030215 Mexico City NOTIMEX in Spanish 2118 GMT 2 Jan 85

[Excerpts] Mexico City, 2 Jan (NOTIMEX) -- President Miguel de la Madrid said today that the loyalty and professionalism of Mexico's Armed Forces continues to be one of the fundamental pillars of Mexico's democracy.

At a ceremony held at the National Palace, where he received a New Year's greeting from the Army, De la Madrid reiterated that democracy is constantly being maintained and that work continues to overcome problems and maintain the fundamental political decisions of the Mexican people.

At the ceremony, which was also attended by National Defense Secretary Juan Arevalo Gardoqui and Navy Secretary Miguel Angel Gomez Ortega, the president said the people of Mexico feel at peace and well protected because their sovereignty, territory, and the defense of their institutions are in the hands of good Mexicans.

National Defense Secretary Arevalo Gardoqui said that the Armed Forces reiterate their absolute loyalty and full dedication to duty because both the troops of the Army and the Air Force are drawn from the people and that they live in and understand the challenges of an era in transformation.

PEMEX 1984 CRUDE OIL EXPORTS EXCEED $16 BILLION

FL281656 Mexico City NOTIMEX in Spanish 0305 GMT 28 Dec 84

[Text] Mexico City, 27 Dec (NOTIMEX) -- PEMEX Deputy Trade Director Donaciano Tamez Fuentes said today that 1984 crude exports exceeded $16 billion. He said that, despite the instability of the international market, 1984 sales exceeded 1983 sales by nearly 100 percent, and foreign exchange was saved by reducing the rent paid for ships and making use of materials stored at foreign terminals.

He said this year PEMEX carried out a purchase diversification program to eliminate unnecessary processing and to channel resources to such national industries as the shipbuilding industry.

Regarding the demand for gasoline, Tamez Fuentes said it remained steady, making it possible to save $1 billion in refinery investments. National sales have already reached $1 billion this year. With regard to land transportation, he said that, despite the fact that rates have tripled in the last 2 years, there has been improvement in the exploitation of trucks and routes, and the distribution of shipments, which has led to a reduction in costs.

INCREASES IN STEEL PRODUCTION, SALES REPORTED

FL312236 Mexico City NOTIMEX in Spanish 2032 GMT 31 Dec 84

[Text] Mexico City, 31 Dec (NOTIMEX) -- Mexico's Iron and Steel Group (Sidermex) has ended operations this year with a 14-percent increase in production of raw steel and a 17-percent increase in its sales of finished products compared with 1983 figures.

According to a study by this state enterprise, total production reached 4.3 million tons of raw steel, compared with the 3.8 million tons produced in 1983. Total sales of finished steel products was 3 million tons, compared with 2.49 million tons in 1983.

On exports, Sidermex reported that a total of 600,000 tons of finished products were put on the international market. The sales were to Algeria, the FRG, Belgium, Canada, the PRC, the United States, Hong Kong, Iraq, and Japan.

The import substitution program, which began in 1983, allowed for a foreign currency savings of more than $15 million.

Sidermex underscored that the enterprise increased its acquisitions for national industry and commerce this year by 79 billion pesos (some $395 million) which is almost 50 percent of its total acquisitions.

PAN SAID RESPONSIBLE FOR DISORDER IN COAHUILA

FL020215 Mexico City NOTIMEX in Spanish 0032 GMT 2 Jan 85

[Excerpt] Piedras Negras, 1 Jan (NOTIMEX) -- Mexican authorities have restored peace to seven towns in the northern State of Coahuila, which were shaken by vandalism by dissident opposition political groups.

Coahuila State's justice procurator's office today reported that investigations by the local police supported by Mexican Army troops into the violence unleashed in the localities of Nadadores, Frontera, Escobedo, Saltillo (the state capital), and the border towns of Ciudad Acuna and Piedras Negras have begun.

Preliminary police investigations indicate that responsibility for the disorders allegedly rests with militant groups from the opposition National Action Party [PAN] (ultraconservative) due to disagreement with the decision by Coahuila's State Congress, in the electoral college, in favor of the governing PRI party's candidates for mayor.

FOREIGN MINISTER DISCUSSES TALKS IN U.S.

PA020202 Panama City LA ESTRELLA DE PANAMA in Spanish 30 Dec 84 pp A 1, A 14

[Interview with Foreign Minister Fernando Cardoze Fabrega by unidentified reporter; date and place not given]

[Text] Question: Was there any specific reason for or purpose behind your meetings with U.S. Government representatives?

Answer: As you are well aware, there are always many reasons and purposes for a visit of this nature. I visited Washington in response to the invitation that Secretary of State George Shultz made to me in Panama on 10 October, when he attended the inauguration of President Nicolas Ardito Barletta.

The trip was Secretary Shultz' idea. He expressed an interest in having meetings at the highest level with the U.S. Government to make an in-depth analysis of relations between the two countries at all levels. The invitation was also the result of the meeting between President Nicolas Ardito Barletta and President Reagan in July.

Question: What were the most important topics that you discussed with those high-level officials?

Answer: Following the program of meetings and talks that were planned for 17 and 18 December, we were able to have very enlightening meetings with the secretary of state, the Pentagon, and the Commerce and Treasury Departments, during which a wide range of important subjects were discussed, particularly strict allegiance to the Torrijos-Carter treaties, the current commercial exchange situation, and concrete formulas for economic assistance. I am pleased to report that these meetings with U.S. Government representatives have been the most productive since President Nicolas Ardito Barletta took office. We were able to discuss each of the topics addressed in depth and we made significant progress in meeting Panama's goals.

Question: When you say significant progress, what concrete results of the trip can you cite?

Answer: The results were many and varied, but the following are the most important:

Unlimited support from the United States, for the efforts to consolidate Panama's democracy. The clear understanding that for democracy to flourish, it is good to have economic recovery or at least a concrete and tangible hope that there will be an economic recovery was clearly established. The delegation I headed fully convinced high-level U.S. Government leaders that the national interests of the United States are linked to the existence of democracy, progress, and peace in Panama. Also, they agreed that our position as an independent, sovereign, and impartial state favors the Contadora Group's efforts. In reaffirming its support for Contadora, the U.S. Government also recognized that in order for Panama to enjoy the confidence of all parties and have credibility, independence and impartiality are not enough. They agreed that we must appear as a peaceful and prosperous democracy in the eyes of the other nations. We agreed that in the troubled Central American situation, Panama is today possibly one of the last hopes of democracy and the free enterprise system as viable, acceptable, and acknowledged principles to the peoples of the region.

Question: How do you assess Panama's current situation, and what do you see in store for Panamanians in the near future?

Answer: I believe that political problems have overshadowed a fuller understanding of our situation and the road we must follow. I will answer your question with various points that, in my judgment, are linked to one another and are in the following order:

1. The main thing at present is to strengthen democracy.

2. To strengthen democracy it is good, I would say almost imperative, to have an economic recovery or at least a concrete, tangible, and visible hope of an economic recovery.

3. In view of the situation of public finances, economic recovery can be achieved only through private national and international investments.

4. Private national and international investment will take place only if there is a climate of trust.

5. National and international investors will not have confidence unless the problem of public finances is resolved and other changes take place.

6. The problem of public finances cannot be resolved without an understanding on the orderly refinancing of the public debt.

7. There can be no orderly refinancing of the foreign debt if an agreement is not reached with the IMF and commercial banks.

8. To reach this understanding, it is necessary to adopt a number of measures, including corrective economic ones. These measures and actions must be subjected to broad consultation and a sincere debate at all levels.

9. In order to examine these measures properly, adequate time is needed, as well as political willingness from all sectors to conduct an open, thorough, and honest dialogue on public finances and the various alternatives to correct the chronic imbalance in public finances.

10 The orderly refinancing of the debt implies a considerable reduction of the burden that the servicing of the debt imposes on the national budget.

11. A considerable reduction in servicing the debt will allow the government to better tend to the people's needs, to improve social services in every field, and to contribute effectively to the country's overall development.

Question: Which achievements that will reap immediate economic benefits for Panama are you referring to?

Answer: 1. The United States officially announced a $30-million donation to the Panamanian Government to supplement the 1985 budget.

2. The United States is willing to immediately rent 100 housing units at an average of $800 a month. Also, it will immediately begin negotiations on building 600-700 new housing units that will be financed on the basis of the guarantee that they will be rented by the United States.

3. It was agreed to address immediately at the Joint Committee formulas to control the preference that should be given to the purchase of Panamanian products by the Panama Canal Commission and the U.S. Armed Forces. This preference has not been granted so far because the transportation and insurance costs of some imported products were not included.

4. The United States agreed to eliminate bureaucratic red tape to open the U.S. market to some products that are currently manufactured in Panama. Also, in order for Panama to profit and receive full benefits from the Caribbean Basin Initiative, it was agreed to promote in the short term the establishment of U.S. industries in Panama, whose products will be destined for export to the United States. This can represent the creation of many new jobs.

5. In the field of textile exports to the United States, that country expressed its immediate willingness to negotiate concrete formulas so that U.S. textile industries can establish themselves in Panama. Their production would be exported to the United States and could generate, in the short term, several thousand jobs in Panama City and particularly in Colon.

6. The United States expressèd willingness to analyze in the most positive way possible making some important investments in the Panama Canal to ensure that the canal will continue to be competitive in the year 2000. This implies works to modernize the waterway. They also promised to accelerate the pace of studies on the expansion of Culebra Cut as part of that mutually agreed upon goal.

7. The United States committed itself to promoting a number of projects through the Agency for International Development (AID) worth millions of dollars to generate jobs without increasing Panama's public debt.

Question: Regarding the Torrijos-Carter treaties: What achievements do you believe the delegation made?

Answer: After the firm and specific ideas that we presented to Secretary of State Shultz and other high-level officials, I believe that high circles in the U.S. Government now have a clearer grasp of the need to replace Law 96-70 which violates the letter and spirit of the treaties, with another law more in line with the treaties. It is necessary to modernize the canal and make it more Panamanian. Panama and the United States share special links because of the canal and other reasons, but in order to preserve those ties of friendship, cooperation, and positive and effective reciprocity it is imperative that the Torrijos-Carter treaties be fully respected and that Panama have democracy, prosperity, and peace.

BRIEFS

INVESTMENT COMMITTEE FORMED -- Panamanian President Nicolas Ardito Barletta has amended Decree 79 of 12 August 1982, which created the National Investment Council. The new decree creates a committee formed by 15 persons who will be responsible for the administration of the National Investments Council. The Panamanian president has appointed Samuel Lewis Galindo as president of the National Investments Council's Executive Committee. [Summary] [Panama City Televisora Nacional in Spanish 0000 GMT 3 Jan 85 PA]

BELIZE

ESQUIVEL MEETS CARIBBEAN LEADERS IN GRENADA

FL011950 Belize City Domestic in English 0100 GMT 1 Jan 85

[Text] The Prime Minister of Belize Mr Manuel Esquivel returned home after attending the opening of the new parliament of Grenada which was inaugurated on December 28, following recent elections held in that Caribbean island state. While in Grenada, Mr Esquivel met with the new prime minister of that country Mr Herbert Blaize and other Caribbean leaders, including Jamaica's Prime Minister Mr Edward Seaga, the Prime Minister of St Lucia Mr John Compton, the Prime Minister of Dominica Miss Eugenia Charles, and the Prime Minister of St Vincent Mr James Mitchell.

Mr Esquivel, during his visit to Grenada, also held discussions with Mr Williams Demas, president of the Caribbean Development Bank, and with Mr Roderick Rainford, secretary general of Caricom. Mr Roderick Rainford is slated to arrive in Belize in [words indistinct] to continue discussions with Prime Minister Mr Esquivel.

COSTA RICA

OFFICIAL TO HOLD TALKS WITH MEXICO ON CONTADORA

FL281956 Mexico City NOTIMEX in Spanish 1700 GMT 28 Dec 84

[Text] San Jose, 28 Dec (NOTIMEX) -- Beginning in January, Costa Rican Deputy Foreign Minister Jorge Urbina Ortega will analyze, along with the Mexican Foreign Ministry, the reforms proposed to the Contadora Document by Honduras, Guatemala, Costa Rica, and El Salvador. Urbina told NOTIMEX that his visit would be within the framework of Mexico's consultations with the Central American governments on reforming the peace document, which the Contradora Group will begin revising on 8 and 9 January.

The Costa Rican mission headed by Urbina will also include Alvar Antillon, director of foreign policy. It will travel to Mexico City on 2 January and meet several times with Ricardo Valero, undersecretary of foreign affairs, before 5 January. Urbina said that Guatemala and Nicaragua had already held similar meetings and that El Salvador would send representatives to Mexico. He added that the meetings are informal talks which do not bind any of the nations but will provide Mexico with information about Central America.

The Costa Rican Foreign Ministry assigned Urbina Ortega the additional task of meeting with the Mexican undersecretary of economic affairs in the Foreign Secretariat regarding differences between PEMEX and the Costa Rican Petroleum Refinery (Recope) on oil drilling in Costa Rica. Finally, Costa Foreign Minister Carlos Jose Gutierrez told NOTIMEX that Urbina would ask the Mexican Government for help in getting Nicaragua to respect the Inter-American Asylum Treaty and in obtaining the return of a man who was wounded and arrested by the Sandinist police despite the fact that he had taken refuge in the Costa Rican Embassy.

BRIEFS

$25-MILLION PAYMENT TO MEXICO -- Mexico City, 13 Dec (AFP) -- Costa Rica will pay Mexico the $25 million it owes that country in early 1985, Costa Rican Finance Minister Porfirio Morera Batres has announced. The disbursement will conclude payment of the link loan extended by Mexico and other countries to Costa Rica at the beginning of 1984 to pay off debts that the IMF was collecting, the minister explained. Although Morera Batres, who arrived in Mexico City last night, pointed out his is not an official visit, he did not rule out the possibility of meeting with his Mexican counterpart Jesus Silva Herzog. [Text] [Paris AFP in Spanish 1540 GMT 13 Dec 84 PA]

U.S. AID DONATION -- The Agency for International Development yesterday donated $16.1 million to an emergency program in the country's northern area. The program will include the construction of 152 km of roads between Santa Cecilia, Upala, Aguas Claras, and San Rafael de Guatuso. In addition, 7,000 hectares of land will be purchased to set up municipal development projects in that area, beginning in January. [Summary] [San Jose LA REPUBLICA in Spanish 22 Dec 84 p 3 PA]

EL SALVADOR

FDR'S ZAMORA DISCUSSES DIALOGUE WITH GOVERNMENT

PA300427 Managua Radio Sandino Network in Spanish 1200 GMT 29 Dec 84

[Interview with Ruben Zamora, member of the FDR Political-Diplomatic Commission by unidentified reporter; date and place not given -- recorded]

[Text] [Zamora] For the Salvadoran Government, the process of dialogue is a political front. To suspend the dialogue at this moment could have costly political consequences for Duarte, especially now that the government is planning the March 1985 elections. Therefore, we believe that the dialogue process can continue until March just because of political reasons.

[Reporter] Early in December, Duarte said that he would never accept the FMLN-FDR's basic proposals. On what basis, then, are you going to negotiate?

[Zamora] We realize that the Salvadoran Government has neither the desire nor the capacity to engage in real negotiations at this time. It can hold a dialogue, but that is about all it can do. In a way, the Salvadoran Government's decisions are relative. In the past, government officials said that they would never sit down for talks with the FMLN-FDR; yet, they have sat down twice to talk with us. Our proposal for a political solution has several phases. We feel that the dialogue can continue on the basis of what we discussed in the first phase of our proposal and so forth. Napoleon Duarte's main objections to our proposal are contained in the third phase of our proposal. We want to continue the dialogue so that we can continue to reach some agreements and establish the conditions for these agreements, so that what seems impossible is made possible.

[Reporter] Why is Duarte rejecting the revolutionary leaders' proposal and why are the rebels refusing to join the democratic process?

[Zamora] Let me explain the situation. There are two proposals: the Jose Napoleon Duarte proposal which demands that the FMLN-FDR turn in their arms before they can participate in the country's political life; the other proposal is the FMLN-FDR's which consists of a gradual transition while agreements are reached not on any specific problem, but on a series of problems the country is facing that will eventually end the country's state of war. There are two different proposals. Duarte's proposal is very simplistic and will not work because the Salvadoran situation is very complex. It would not be realistic to try to solve the Salvadoran situation with simplistic formulas. Since the problem is so complex, we have proposed the gradual working out of solutions to the problems through dialogue and negotiations. This is probably the only way that we can obtain peace on a permanent basis.

[Reporter] When you talk about the humanization of the conflict, to what are you specifically referring?

[Zamora] To the regulations contained in the 1945 Geneva treaties and the additional protocols, which deal precisely with the humanization of the war. Although ours is an internal conflict, the norms and principles that rule international conflicts can be applied in the Salvadoran case. We are referring to approximately 24 aspects on which the belligerent forces can agree. For example, the treatment of those wounded in war, the civilian population's direct suffering of the consequences of the armed conflict, and the destruction of the population's basic means of subsistence. In the specific case of El Salvador, this means the destruction of peasants' crops and the bombing of the civilian population. All of this is prohibited by the Geneva treaties.

In this respect, we can reach very important agreements. The humanization of the war consists of limiting the negative consequences that the armed conflict has for the civlian population.

[Reporter] Duarte's main argument is that acceptance of the FMLN-FDR proposal would be in violation of the Constitution. How would you answer this apparent legal argument submitted by Duarte?

[Zamora] In the first place, I think that, as you say, the argument has a legal aspect. However, we must realize that what Napoleon Duarte is up against are not legal limitations, but real political limitations. Duarte can only do what the Army and the U.S. Government allows him to do. Of course, he cannot sit down at the negotiating table and say the Army and the U.S. Embassy do not allow me to make my own decisions. Therefore, he has to resort to some argument to cover up his limitations and he is using the Constitution as a shield. I fully agree with what Msgr Rivera y Damas recently told an Italian Catholic newspaper in Turin about how meaningless it is to sacrifice peace to defend the Constitution and that if it is necessary to change the Constitution to have peace in El Salvador, the Constitution should be changed.

I think it is a reasonable and absolutely humane argument. We cannot keep the people suffering just to comply with the law. If this law is an obstacle to peace, let us change the law, because peace [words indistinct] is more important than the law. Besides, Napoleon Duarte's argument that the Constitution cannot be changed is absolutely false. The Constitution contains the formula for making amendments. Nowhere in the world is there a constitution that cannot be amended. On the contrary, all constitutions have amendment formulas. We believe that the constitutionality argument the Duarte government is trying to use is not a real argument; it is an excuse to cover up his political limitations.

[Reporter] You are not only the main FMLN-FDR negotiator, but also the only person who attended both the La Palma and Ayagualo meetings. Can you tell us something about the atmosphere you found at both meetings?

[Zamora] I think it is important that I talk about this. It gives me the opportunity to refer to the problem of the dialogue and negotiations. The negotiating table reflected the relationship that exists between the country's political and military forces.

In La Palma, politically speaking, Duarte surprised the Salvadoran right and the extreme right. By surprising the extreme right, Duarte was able to attend the meeting at La Palma, where he assumed an offensive position. At that moment, the right was paralyzed. However, after the meeting in La Palma, the right reacted. For instance, at first private enterprise agreed to form part of a dialogue advisory commission for Duarte, but 2 days before the Ayagualo meeting, when the right had regained its senses, they quit the commission and issued a strong statement against the government.

In La Palma, Duarte assumed an offensive position, but in Ayagualo Duarte was already under pressure from the extreme right which limited his power.

Another important issue is the country's military situation. The military accepted the dialogue in La Palma based on an evaluation they had, which of course was wrong. They thought the Army had assumed the offensive and that the FMLN-FDR was going to be on the defensive and that the Army could participate in the dialogue from a position in which it had the upper hand. What happened in between La Palma and Ayagualo? In the first place, the Army launched an offensive operation: "Torola-IV." This definitely corroborated the belief that the military's evaluation was absolutely mistaken. Not only did we inflict a large number of casualties on the Army, but it lost three of its field commanders, including the best commander they had, Colonel Monterrosa.

Next, the FMLN not only proved to the Army that it has the capacity to resist and defeat its offensive, but to assume the military offensive as shown by the attack on the military post in Suchitoto. Of course, this created a reaction against the dialogue in the Army High Command. In other words, Duarte arrived in La Palma with an Army that thought it was winning, but in Ayagualo it realized that it was losing the war and that caused a negative reaction toward the dialogue, because the Army, especially its extreme rightist sectors, feared that the dialogue would become a true negotiation. This of course restricted the government's position in the second dialogue.

A third element which is also important is the human aspect. The government and the U.S. Embassy had the false notion that the FMLN-FDR no longer had the people's support, especially in the big cities like San Salvador. Then what did holding a dialogue prove? It proves that not only does the FMLN-FDR have the people's support, but that the people are beginning to get together and publicly assume a political stand in San Salvador.

After La Palma, we had the first demonstration on behalf of peace by trade unions and human rights organizations. After this, we had the human rights congress and a series of mass activities that disproved the claim that we do not have mass support. This notion is not only false, but you can begin to see that it is false.

I think I have explained the difference in atmosphere between the first and second meeting. There is a difference in the meetings. In La Palma, the meeting was to express intentions and viewpoints about the country's situation; Ayagualo was a meeting in which we were going to start discussing specific issues. This is where bargaining begins and this is what makes the meeting more difficult. Giving opinions and making demands to reach an agreement is not the same thing. The meeting in Ayagualo was more tense, there was more of a challenge than in La Palma. However, in both meetings the atmosphere was correct, both parties were respectful of each other, and at no time was the language offensive to anyone.

SUPREME COURT PRESIDENT ON RELEASE OF PRISONERS

PA011422 San Salvador LA PRENSA GRAFICA in Spanish 31 Dec 84 pp 4, 24

[Excerpt] Francisco Jose Guerrero, president of the Supreme Court of Justice, has reported that 17 political prisoners have been released. He added that the court is expediting as much as possible the habeas corpus requests filed before the Supreme Court or the respective courts. He said that "proof of this is that from July to December 1984, 109 political prisoners have been released since the court acts correctly based on the laws and the Constitution."

ARMED FORCES DEVELOP ANTIGUERRILLA STRATEGY

PA022150 Buenos Aires LATIN in Spanish 1957 GMT 2 Jan 85

[Excerpt] San Salvador, 2 Jan (REUTER) -- The chief of the Salvadoran Army General Staff said today that the Armed Forces have developed a new military strategy that could defeat the leftist guerrillas and this year end the civil war that is bleeding that country.

General Adolfo Blandon said that the plan includes psychological operations, better military maneuvers, civic action projects, and the creation of small units specially trained and equipped to conduct night attacks against rebel positions. "The Joint General Staff estimates that if the plan is followed 1985 could be the year when the war in this country will end," Blandon told REUTER in his first interview since he was promoted to general last Monday.

He revealed no specific details, but he did say that the counterinsurgent night patrols, with their special equipment and training and supported by the Air Force and the psychological warfare operations, are the core of the plan, which will be set into motion immediately. Blandon said that special U.S. advisers have been working with the Salvadoran Army for the past 8 months to set up their "psychological operations" department, but added that only Salvadorans train the special units.

CATHOLIC MOVEMENT REITERATES POSITION

PA282207 San Salvador EL DIARIO DE HOY in Spanish 28 Dec 84 p 41

[Advertisement by the Catholic Traditional Movement]

[Text] To the Salvadoran people:

We make known that our statement dated 17 December and published in EL DIARIO DE HOY of the same day does not contain insult and slander and only expresses the general concern about a priest of our holy church who, taking advantage of his holy investiture, is trying to break the constitutional order in an attempt to grant the atheist communism a role in power.

The attitude of the members of the Catholic Traditional Movement was based on the objective consideration of facts, which are already historical facts, and must be judged as such by all Salvadorans because it is our future which is being decided. We oppose the dialogue with the communists because we truly want peace. We refuse to become accomplices in a trap set for our beloved Salvadoran people and to see our people experiencing situations such as the ones experienced by our Nicaraguan brothers.

For this reason, we filially ask our pastor to act in accordance with the recent instructions issued by His Holiness John Paul II in that priests and bishops should abstain from participating in political activities. We hope that the archbishop will accept our words with a spirit of understanding and peace. We do not wish our message to be distorted with suggestions of violent intentions every time that we, the faithful, point out public attitudes of our pastors -- attitudes that contradict the traditional position of the Catholic Church and are not in accordance with what is preached.

Maria Elena Vasquez, Jose Hernandez, Julio Lazaro Funes, Mario Ricardo Maya Diaz, Lilian Diaz Sol

FCER OCCUPIES RADIO STATIONS, BROADCASTS MESSAGE

PA030345 San Salvador EL MUNDO in Spanish 31 Dec 84 p 1

[Text] At least six radio stations were occupied simultaneously at 0815 today by the Clara Elizabeth Ramirez Metropolitan Front [FCER] of the People's Liberation Forces (FPL), estranged from its central command and therefore not included in the truce agreement adopted by the FMLN. As on previous occasions, the members of the Clara Elizabeth Ramirez Metropolitan Front were armed when they entered the radio stations, and after threatening the personnel they played their approximately 30-minute recordings, which they described as an "end of year message."

At this time it is known that Radio Clasica, Radio Mundo, Radio YSC, Radio Internacional, Radio Romantica, and two other unidentified stations had been occupied.

The Clara Elizabeth Ramirez Metropolitan Front summarized the armed struggle, adding that to date this has resulted in approximately 50,000 dead and that the origin of this war is the increased class struggle in the country. The front added, that, in addition to the dead, there are hundreds of prisoners and missing people and that in the economic area "our people are experiencing a deep crisis." The message added that the dialogue was a Reagan maneuver and that Duarte is trying to use it as a political maneuver "aimed at creating false hope for peace among our people." The Clara Elizabeth Ramirez Metropolitan Front admits that it is a meaningful step forward in which the legitimacy of the revolutionary struggle is recognized and that it must be based on the solution of the people's most pressing problems.

In conclusion, the front asked for an end to the Reagan administration's interference, "because if it continues it not only threatends the process of dialogue but also peace in the country and the region."

SHOOTING INCIDENT AT SAN CARLOS BARRACKS 31 DEC

PA022030 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 2 Jan 85

[Text] Another version of the 31 December shootout at the San Carlos barracks has been supplied by people living nearby. They asserted that at approximately 2200 three vehicles collided at the corner of 3d Avenue and the street leading to the San Carlos barracks. The people involved in the crash were carrying firearms and after a heated argument, they exchanged shots.

Soldiers posted on the 5th Avenue thought they were being attacked, because a stray bullet wounded one soldier at the sentry post, so they returned the fire. Two armored vehicles and a military gunship were sent out to patrol the zone. The version has not been confirmed or denied by officials of the San Carlos barracks.

Judicial authorities have yet to identify the bodies of three guerrilla members who, according to military sources from the San Carlos barracks, died during the 31 December attack. The military sources said that the rebel attack came from the southeastern zone of the barracks. Only one man, 54-year-old Gabriel Cubillas Arevalo, has been identified among the victims of the shootout. According to his relatives, in addition to bullet wounds, he had contusions on his face and back. Civilian witnesses revealed that three other civilians died during the clash. So far, none of the guerrilla fronts has claimed responsibility for the attack on the San Carlos barracks on the night of 31 December.

FMLN REPORTS 'TRUCE VIOLATIONS' IN USULUTAN

PA030154 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jan 85

[Text] We now have a report on truce violations by units of the puppet Army. We have learned that in Usulutan Department our forces faced enemy advances in Joya Ancha Abajo canton, near Santa Elena, and in Santa Clara canton. In these provoking incursions of the puppet Army the enemy forces sustained seven casualties.

BRIEFS

BRIGADE COMMANDER APPOINTED -- Colonel Julio Agustin Trujillo has been appointed new commander of the 1st Infantry Brigade, with headquarters in San Salvador. Col Trujillo, who was the military attache at the Salvadoran Embassy in Argentina, replaces Colonel Jaime Ernesto Flores. His appointment became effective yesterday, 1 January 1985. [Summary] [San Salvador Radio Cadena YSKL in Spanish 1730 GMT 2 Jan 85 PA]

HONDURAS

SUAZO CORDOVA NEW YEAR MESSAGE TO NATION

PA011957 Tegucigalpa Domestic Service in Spanish 0134 GMT 1 Jan 85

[President Roberto Suazo Cordova's new year message to the nation; date and place not given -- live or recorded; broadcast in progress]

[Excerpt] ...our most heartfelt feelings of Christian brotherhood on the occasion of Christmas festivities and the start of a new year. This is a propitious time to meditate about what we have achieved and what remains to be done during this new year. I am fully aware of the great responsibility which has been bestowed on me by the mandate of a vast majority of the Honduran people. I feel I have a responsibility toward each and every one of you, my fellow countrymen, because, as president of Honduras, when I act, I must take the nation into consideration.

The 3 years during which I have governed the country have been marked by a series of problems and crises on the internal and international levels. We have all beem compelled to withstand extremely difficult moments, always imbued with the courage to overcome the obstacles which have risen in our path, with faith in ourselves and the assistance from him who redeemed the world, and whose birth we have commemorated during recent religious festivities.

Domestically, the year which is now ending undoubtedly represented a crucial time for strengthening our democratic system. The changes which took place in our Armed Forces have contributed significantly to supporting the principle of the civilian government's supremacy and our abidance by the Constitution, with patriotism and responsibility. Our government has thus fulfilled its foremost duty: to protect our laws and the stability of our organizations. This will help us develop a pluralist democracy in our country, with the participation of all our people.

It is true that as a result of the free expression of the people's sovereignty, we have just started a task whose goal is the consolidation and development of our government system. There have been those who have demanded the enforcement of a perfect system, forgetting that we are in the midst of a democratization process which must overcome vices left behind by a tradition of illegality and illegitimacy. We must all contribute to eradicating these vices, with a patient perseverance.

Nevertheless, it is no less true that, despite our imperfections, we cannot endanger our final goal: to reach new democratic horizons in the near future which will signal the start of new efforts for liberty and justice for all Honduran people. The task of casting away old ties and opening new horizons is not an easy one. Therefore, my government needs the people's understanding of its delicate task and their confidence that we will be able to live up to the challenge facing us -- with the help of all the Hondurans who are really interested in building a better future for their children.

The road we have traveled during 1984 shows a positive balance. The Honduran people will again be able to freely cast their ballots in 1985, electing their new leaders by means of a completely new national identification system which allows everyone the opportunity to express his political decision. The electoral registry can no longer be mishandled to benefit a specific political organization because all the legally registered parties share the responsibility for our people's identification and the electoral process. Similar to previous years, the Honduran Government has given its full support to the National Electoral Tribunal and the National Citizens' Registry. This year we will double our efforts to help these organizations, thus making sure that they will successfully carry out their mission. For the first time in our country's history, the universal voting principle will be enforced by replacing a census system with a system which allows any citizen to cast his vote by simply presenting his identity card. This significant advance toward the perfecting of our electoral mechanisms will place us on a level with other traditional Latin American democracies, such as Costa Rica and Venezuela. This administration feels proud because it helped develop this system, which will undoubtedly contribute to strengthening our democracy.

Economically, I am able to report that the country experienced a moderate recovery during 1984. After suffering the effects of negative balances which indicated a grave deterioration of our economy, during the past year we had a 2.8-percent increase in our GNP. This represents the beginning of our economic recovery. The 1984 inflation rate was barely 5 percent, which represents an important decrease when compared to inflation figures reported during the last 3 years. Our public expenses were cut by 7.8 percent. The loss of international reserves was zero, whereas last year we lost $35 million.

Our revenues grew 24 percent during 1984, confirming our economic recovery. In addition, our exports increased 6.7 percent, compared with a 2-percent decrease last year. Our nontraditonal exports have shown encouraging dynamism with a 35-percent increase over last year's figures. In addition, imports reported a 14-percent growth, reflecting a less strict exchange policy regarding the authorization of import permits and a greater national dynamism which strengthens our productive growth and investments, particularly in the public sector.

I also want to report that the government obtained a considerable increase in its sugar quota last year; this year we achieved a significant increase in our coffee export quota. I must also report that we have complied faithfully with the implementation schedule of large investment projects, such as the El Cajon Hydroelectric Dam, thus establishing the bases to reduce our dependence on energy imports. Naturally the results obtained from the enforcement of our economic policy may be considered modest when compared to our vast needs and serious financial problems inherited from previous governments. Nevertheless, our efforts to reactivate the productive sector and settle our public finances are clearly evident; thus, we have been able to overcome the major obstacles of our crisis and somehow lessen its impact on our people's standard of living.

Despite these encourageing figures, much remains to be done. We must exert ourselves in a sustained way, joining our efforts to increase even more our economic activities, which I found seriously impaired in 1982.

During 1985 we must exert ourselves particularly to increase our employment levels, stepping up the agrarian reform process, reactivating the various areas of the industrial sector, and promoting and diversifying our traditional and nontraditional exports in the world market. During 1984 I intend to continue an open and permanent dialogue with the workers and private sector so that we may find the formulas that will allow us to continue exerting ourselves for the country's economic and social development.

We recently presented an economic action plan for the final phase of our administration; I trust that unity of purpose and efforts will lead us to create more favorable economic and social conditions for everyone. Our foreign debt has been one of our main worries; when we rose to the presidency our country's international credit was seriously impaired. We had to restore it through enormous efforts to solve the critical problems that we inherited from previous governments. I am pleased to announce that we signed an agreement with Banfinan's [Honduran Finance Bank] creditor banks this year. Thus our country has recovered the trust of foreign financial organizations.

I also consider it important to tell the Honduran people that we have complied rigorously with the payment of our government's external debt interests. We have also paid on time the interest on debts guaranteed by the state. Followingserious and comprehensive negotiations with international private banks, an agreement was reached this year regarding the payment of our external commercial debt, which has been guaranteed by the government and its autonomous organizations in favor of private enterprises.

Finally, I want to underscore that all these encouraging signs regarding our economy indicate that a change in our exchange rate is not an option for a country like Honduras, where most of the export products are subject to quotas and other types of conditions, artificial barriers, and protectionist measures imposed by industrialized countries. The process of economic adjustment at a gradual rhythm, not a drastic one as recommended by certain sectors and some international organizations, has borne positive fruit thus justifying the government's decisions and economic-political actions.

Fellow countrymen, at the international level I must point out three highly important events: First, in July 1984 my government reported to the U.S. Government its desire to re-examine its relations in the economic and security sector. Our administration wanted to tell the U.S. Government about our conviction that our people's economic development and social welfare are the best guarantee for political and social stability. Only a people that are satisfied and aware of the benefits derived from our democratic system will have the necessary strength to withstand the current onslaught of international totalitarism against us. Our national security is necessarily based on the Honduran society's unity, which must never be rendered null by iniquity and injustice. A healthy, educated, and well-employed nation can adequately support the fundamental task of our Armed Forces: protecting our sovereignty, territorial integrity, and democracy. That is the main topic discussed with our U.S. friends, trusting that they will be able to understand these purposes, aimed at maintaining a system of political, economic, and social coexixtence in Honduras.

With regard to our relations on security matters, we continue to regard the unbridled arms race in Central America, the radicalization of the Nicaraguan regime, and its allingment with the Soviet bloc as grave dangers to our security and stability.

I have said earlier that my government does not want to and cannot sacrifice the Honduran people or the democratic system following the militaristic pattern that other governments of the area have adopted. We want to have a professional and sophisticated Armed Forces to the extent that they can guarantee public order and defend us from aggression. We do not want to constitute offensive forces.

We do want to have the capacity to draw the line that the enemies of democracy shall not cross. The military presence of the United States in Honduras has thus been dissuasive and temporary in nature, allowing us to improve our forces technically. We see no point in a permanent U.S. military presence if we can guarantee bilateral security through adequate training and refurbishing of our Armed Forces and with access to facilities if our government were to require them in the event of an emergency. This is the outline of our security policy.

We wish to belong to the group of Western democracies that are friends of the United States, agreeing on common goals of freedom, security, and peace within a framework of mutual respect and dignity. I am sure this will be to the benefit of both our nations and the future of troubled Central America.

In the second place, I want to point out that regarding our relations with El Salvador, from the beginning of my administration to date we have done everything within our power to promote a direct settlement of border difficulties that still separate us from that country, both in land and maritime areas. Various factors had prevented progress in negotiations despite the fact that from June 1982 until today there have been 28 meetings of the joint border commission and 17 meetings of the subcommission of demarcation. However, at present there is a document on the negotiating table which has been commended to the commission after the two meetings that I held with Salvadoran President Jose Napoleon Duarte, with whom I agreed on the need to give the necessary political promotion to the talks so as to reach an agreement that is satisfactory and beneficial to our two countries, which will eliminate that constant cause of friction and misunderstanding. Our diplomats are currently working expeditiously and patriotically on this matter, to resolve it through direct negotiation which must have the concurrence of two unwavering wills. From all I have learned, if a direct settlement is not reached by 10 December 1985 the case will be passed to and ruled on by the International Court of Justice. We are very much aware of this.

To conclude, I want to refer to our active participation in the regional negotiations of the Contadora Group. It is not true, as some sectors have said, that Honduras has obstructed a regional peace agreement. The Honduran delegation at the Contadora meetings has worked with admirable dedication for the cause of peace and has valiantly defended the permanent interests of the Honduran state. Its task merits the recognition of Honduran society. However, the situation is such that, having reached an understanding on the substantial texts, the ways in which the obligations would be executed, the verification and control mechanisms do not offer the necessary balance in the benefits and counterbenefits that all parties must assume. The principles of simultaneity and reciprocity are absent upon the entry into effect of the obligations, and there are not sufficient guarantees for their effective observation.

It is my responsibility to direct international relations and ensure that the fundamental interests of Honduras are adquately protected. I will not hesitate for an instant to approve a regional legal instrument that offers such guarntees, as expressed by the Honduran Foreign Secretariat in its official statement of 19 September 1984 and as we proposed in the observations that, together with Costa Rica and El Salvador, we submitted to the Contadora countries and Nicaragua after the meeting of Central American foreign ministers in Tegucigalpa on 19 and 20 October.

I harbor hope that 1985 will be a year of peace and cooperation in Central America after the negotiating process comes to its successful conclusion and we can sign and ratify the Contadora act under the premise that its clauses are part of a comprehensive and equitable settlement and respect for the fundamental interest of all the Central American states.

We also guarantee their unquestionable execution and the effective verification and control of obligations.

Honduran people: In this closing message of 1984 on principal tasks and achievements, I bid you all to face the year about to begin with optimism and determination to continue working hard, as the country demands of us, to lay the foundations for a promising future. With the spirit the this season inspires let us make together the commitment for 1985 of making with our daily efforts a Honduras which, forged on the rigid hearth of difficulties, will emerge proud and respected for its devotion and the offering of its sons to the permanent cause of its glory.

POLITICAL PERSONALITIES ISSUE MANIFESTO

PA311714 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 31 Dec 84

["Patriotic manifesto to the Honduran people" issued by "members of various political forces" in Tegucigalpa on 31 December -- read by announcer]

[Text] Patriotic manifesto to the Honduran people:

We, Honduran citizens, members of various political forces, aware of the country's grave situation and the accelerated deterioration of the republican institutions that threaten to destroy the democratic system, and faithful to our belief that the sacred interests of Honduras must come before any secondary interest, believe that we must stress the following:

1. It is publicly known that several personalities linked to the government have expressed their desire to reform or to suspend the constitutional articles that establish alternation in the exercise of the presidency of the Republic and nonreelection.

2. The intervention of the current administration in the internal affairs of the political, social, and labor organizations contributes to the division of the Honduran nation and creates the conditions for the emergence of violence and anarchy.

3. The administration of the Honduran state has been weakened by nonfulfillment of the mandatory constitutional principle that the government should be based on participatory democracy and the corresponding national integration. The proliferation of scandals in the public sector has contributed to this weakening. Corrective measures have not been adopted and those responsible have not been punished.

4. The current administration wants to violate the constitutional principle of popular sovereignty by using the state power to impose candidates to popularly elected posts.

5. This government's action with regard to the National Civil Registry, the National Electoral Tribunal, and the Supreme Court of Justice has created a general climate of uncertainty and lack of credibility about the electoral process.

6. The violation of the constitutional principle on the independence of the branches of government inevitably leads to the establishment of a dictatorship.

In view of this dramatic situation, we demand the following on behalf of the fatherland:

1. Absolute respect for the constitutional mandate on alternation in the exercise of the presidency of the Republic and nonreelection.

2. An immediate halt to official intervention in the internal affairs of the political, social, and labor organizations. This arbitrary intervention constitutes an unforgivable attack on the Honduran democracy.

3. Immediate solution and corresponding punishment of those guilty of crimes against the national treasury, the correct application of justice, and the integrity of individuals.

4. Reform of legal instruments so as to achieve the democratization of political parties through internal elections to choose their authorities in strict fulfillment of the law and respective bylaws and under the supervision of the appropriate electoral bodies. We also demand a halt to the actions that affect the existence of the recently formed political parties.

5. Strengthening of the institutions in charge of the electoral process so as to guarantee the total fulfillment of the law and the reestablishment of the people's confidence in the republican institutions.

6. Unlimited respect for the independence of the branches of government.

Fully convinced that his document will contribute to strengthening the peace and unity of the Honduran nation and the existence of a democracy which does not tolerate the dictatorial desire for impositions by one person, we issue it in Tegucigalpa on 31 December 1985.

[Signed] Alejandra Bermudez de Villeda Morales, Enrique Aguilar Paz, Mario Rivera Lopez, Juan Alberto Melgar Castro, Carlos Sosa Coello, Juan Ramon Martinez, Rafael Leonardo Callejas, Armando Aguilar Cruz, Ruben Palma Carrasco, Rene Sagastume Castillo, Carlos Orbin Montoya, Manuel Acosta Bonilla, Arturo Morales Sule, Celeo Arias Moncada, Ricardo Zuniga Augustinus, Juan Miguel Funez, Dolores Reina de Watson, Hernan Corrales Padilla, Carlos Roberto Reina, Efrain Diaz Arrivillage, Jose Azcona del Hoyo, Jorge Arturo Reina, Nicolas Cruz Torres, Rodrigo Castillo, Ramon Velazquez Nazar, German E. Leitzelar, Ruben Villeda Bermudez, Arturo Rendon Pineda, Virginia de Aviles, Manuel Octavio Suazo, and Adan Palacios Iraquez.

M-LIDER'S ROBERTO REINA APPEALS FOR UNITY

PA021835 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 2 Jan 85

[Text] The Liberal Revolutionary Democratic Movement, M-LIDER, has issued a message through its leader, Carlos Roberto Reina, who discusses a possible response to imposition by coalescing into a powerful force.

[Begin recording] Fellow Hondurans and party members, this is Carlos Roberto Reina. At this time, I want to mention a fact that has stirred and offended Hondurans very much because it violates the basic principles of democracy.

Although the government group leading the Liberal Party has announced the name of a candidate, it has demonstrated all the vices of a dictatorship. We say this mainly because the authority of party officials is questionable due to their fraudulent selection. The Liberal Party elections have been plagued with innumerable instances of fraud and outrages against party members themselves. Party members were not considered in the least during these internal elections . Outrages included refusal to hand over identification cards or provide the location of ballot boxes, and manipulation of the results by announcing a completely adulterated version of them 2 years after the fact. The names of the convention members were not disclosed either.

This secrecy regarding the names of the convention members allowed the official movement to change the persons who are to represent the party and the various communities at the national convention.

The fraud included several aspects, not only regarding the elections proper, the vote counting, and the establishing of the names of those elected, but, later, regulations were altered so that no votes could be cast during conventions. This is really outrageous. Finally, the president produced, out of nowhere, a candidate and big rallies were held in order to turn him into a popular figure. His name was even changed to eliminate possible resistance.

All this should make us ponder the situation. We are not discussing the candidate himself, but the idea of democracy in an undeveloped country such as Honduras, that is surrounded by violence. This violence appears throughout Central America.

Honduras represents a collective lifestyle, but this life is to be lived democratically. In the absence of democracy, people get tired of outrages and injustice and end up rebelling. Honduras has been acquainted with dictatorships and power-usurping regimes. This is what has to be changed. We must begin a new life, marked by democracy. Citizens must be respected so that we can have social peace. We are sure all these outrages and frauds were taking place because of the unpopularity of the government and the candidate that the president tries to uphold by using the state's advantageous position.

The rallies that have been held demonstrate three things: first, the Liberal Party is a big party; second, the government has been spending huge sums of money on propaganda; and third, public employees have been threatened and exploited because they are dismissed if they don't attend these rallies. If not dismissed, reluctant employees are forced to make financial contributions. Any person with a propaganda machine like that might be a candidate of an official group. This is exactly what has to be changed.

This democratic lifestyle reflects a society's morals. A society cannot permit outrages. All dictatorships have been able to organize big rallies. The more some dictatorships have been hated, the bigger their rallies have been. We have only to recall those held in Guatemala by Estrada Cabrera and those held by Trujillo, Somoza, Stroessner, and Duvalier. These are good examples that rallies do not represent support by the people at all. The people's support can only be demonstrated in the casting of votes in free elections where all candidates have a fair chance.

This is what the government and official groups does not want to give the Honduran nation. Hence the idea of uniting the Honduran people and rallying them around a response to the government imposition. I am sure that this response will be overwhelming and that all honest, decent Hondurans who want a free life for Honduras with a legal system honoring all guarantees that the state has created for the community's social good will unite with a single goal: to oppose the dictatorship that is trying to assert itself in Honduras and the disguised continuism already in practice, so that this homeland of Morazan can be saved from catastrophe and the terrible sacrifice that neighboring countries have been making due to the clumsiness of those who pushed them toward violance. Thank you very much. [end recording]

NICARAGUA

ORTEGA ON 1984 ACCOMPLISHMENTS, 1985 PLANS

PA010234 Managua Domestic Service in Spanish 2253 GMT 31 Dec 84

[Speech by Commander of the Revolution Daniel Ortega Saavedra, coordinator of the Junta of the Government of National Reconstruction and president-elect, at the La Cumplida "coffee production center" -- live]

[Excerpts] Today, 31 December, the year of the fifth anniversary of the triumph of the revolution in our homeland, we have gathered at this coffee production center accompanied by the workers of the area, volunteer coffee bean pickers, combatants of our Armed Forces, FSLN activists, mass organizations, and the revolutionary cabinet. As we all know, it is not by chance that this farewell to the old year is being held in this place. The efforts that the revolution has made in this Region 6 to achieve the coffee harvest goal are well known, as are its efforts to defeat the CIA mercenary forces who have their minds set on obstructing the harvest and making it fail. This means that we are ending 1984, when 50 years after his death Sandino lives, fighting the imperialist aggression with the same courage displayed by Sandino's small crazy army of barefoot peasants, the army of Pedro Altamirano, Francisco Estrada, Miguel Angel Ortiz, and Santos Lopez, who today once again raise their rifles, machetes, and ropes to confront and defeat the same enemy in these heroic lands of northern Nicaragua.

The year of 1984 is of great concern to a world increasingly threatened by nuclear catastrophe. During this year, the arms buildup reached levels that surpassed the framework of a balance that was expected following long and tedious negotiations. All of these endeavors, which had raised mankind's hopes, were abruptly upset by a hegemonist policy fighting to impose itself at the expense of greater sacrifices and risk of its own people. That hegemonist policy is the same one that the United States is defending in programs such as the Star Wars program, which calls for a $26-billion investment over the first 15 years to militarize space. Meanwhile, the peoples of Asia, Africa, and Latin America have suffered the effects of this policy that increasingly restricts the lines of foreign cooperation and defends a financial system and a model of international trade exchange that makes countries already poor because of these policies, even poorer. Among these countries, we can mention those of Latin America.

ECLA has reported that between 20 and 25 percent of the Lain American work force is unemployed and adds that per capita revenue continues to drop to more than 10 percent after having dropped 15 percent in 1983. Therefore, the level of inflation continues to be greater and the standard of living lower.

The Central American countries have greatly suffered the effects of the financial crisis and unfair trade exchange. For Nicaragua, the crisis has been even more acute because, aside from being affected like the other countries, it faces an additional burden marked by the U.S. Government's decision to wage a war against our nations.

The war of aggression begun by the current U.S. Administration in 1981 is going into its fourth year, imposing on our people a sorrowful quota in human and material terms. During this year, 1984, more than 3,000 Nicaraguans became victims of this genocidal policy. Of these, 1,600 were killed, and the remainder were wounded, mutilated, or kidnapped. Of those killed, more than 100 were children under 12 years of age.

Meanwhile, the material losses during this same year, to November 1984, totaled $254,900,000. This represents more than 70 percent of this year's exports, and Regions 1, 6, and 2, and Special Zone 2 were the most affected because of this war of aggression absorbing 66 percent of the total losses between 1981 and 1984.

To 1 December 1984 there had been 1,465 terrorist activities carried out by the mercenary groups, which gives us an average of 4.2 activities per day; and the 1,600 dead Nicaraguans average 4.3 children, youths, women, and old people who have died each day, victims of the CIA's genocidal policy.

Superhuman efforts have been put forth to confront the adversities of war. In face of the constant deployment of mercenary troops from their bases of operation in Honduras, territory occupied by the U.S. Army, came the combatant response of our peasant youths, workers, students, and other employees, who through the Patriotic Military Service's regular and reserve battalions dug the trenches and foxholes and built unpenetrable barricades in the most far away and difficult territories, defending with blood and sweat the right of the people to tranquillity and peace.

In the same way, the revolutionary faith of the peasants organized in the territorial militia resisted. More than once, the false expectations of the CIA criminals crashed against their closed fists. The tenacious response of the active rearguard was a decisive complement in the battles waged on the war fronts. We requested the efforts of the laborers and residents of our neighborhoods, and they were able to combine production work with revolutionary surveillance and militia and civil defense work to confront and defeat a possible direct U.S. military intervention. The people were able to generate new energies and creatively participate in social programs, especially those involving health and education. The most distinguished effort was that of the teacher's fifth anniversary battalion. During a historic event that called for education and organization, that is, awareness, the first free elections in Nicaragua history were held. On that occasion the people proved Nicaragua's revolutionary nature, reaffirming that the right to vote belonged to all who are 16 years old and older.

The year 1984 was also a year of cultural and athletic achievements, of revolutionary surveillance, of voluntary police, of more and better organization among workers and various sectors of the nation. The year 1984 was full of challenges which the revolutionary state and the vanguard of this people, the FSLN, were able to face. Aware of the need for peace, we have not let up in the defense of that peace in the military area, in the productive area, or in the search of a negotiated political solution. Contadora and Manzanillo are proof of the responsible manner in which Nicaragua has undertaken the negotiations. Our country's acceptance of the Contadora peace document put to a test the will of all those who had said that they supported Contadora and who have refused to accept the revised document of 7 September 1984. In 1984 we accurately responded to the biggest problems that the imperialist war introduced into the national reconstruction plan.

We are also aware of the fact that some problems have not been resolved and that the seriousness of the crisis imposed by the imperialist war threatens to create new problems for us. We have failed to achieve a greater coherence among the state, the organized masses, and the party structures. This has affected the understanding and correct implementation of the various policies, thereby affecting the interests of the revolution. Cohesiveness is also needed to defeat bureaucratism, a tendency which we still have not eradicated from the government institutions, from the unions, from the mass organizations, and even from the party structures.

Cohesiveness is also needed to achieve greater efficiency from the government official, the production worker, the technician, and the party cadre. Furthermore, cohesiveness is needed to achieve discipline in our work, in energy conservation, and in the struggle against squandering and all of the vices that we inherited from the past, which have yet to be eradicated from our society and tend to spread among our people.

We need cohesivenss from the party leaders to the cadres to efficiently coordinate brilliant and deep analysis with practical action.

Full of good intentions, we could be susceptible to the sins of demagoguery and paternalism. This demands constant revolutionary vigilance over our words and our actions. The year 1985 will demand more cohesiveness, more unity in the understanding, interpretation, and execution of our tasks. Thus, the blows dealt to the enemy will be stronger. We shall begin 1985 by carrying the burden of an international economic crisis; of the Yankees' miltiary, economic, and political aggression; and with the costs of a revolutionary transition from the economy of Somozist times to the construction of a new revolutionary economy.

The crisis has reached such an extent that we need urgent measures to help us counter it. The decrease in assets and services and the deterioration of our properties are the effects of a lack of foreign exchange. The lack of control over our inflation, which increasingly affects the workers' quality of life, the growth of speculation, the fiscal deficit, the anarchy in our price system, some drastic decreases in the average output of production workers in the countryside, all of these are phenomena of the crisis that must be controlled.

Our 1985 budget has a limit of 28 billion cordobas which must not be exceeded. This objective must be fulfilled and there must be greater awareness and understanding of the grave situation prevailing in the country.

In the budget, defense is the priority. It takes up more than 40 percent of the nation's budget. Next are the expenses for health, social welfare, and subsidies to the disabled who have been the direct victims of the aggression.

In 1985 military aggression will continue to be the main factor disturbing the country's life. The impact of the war on foodstuffs, clothing, shoes, consumer goods, transportation, and other services has also affected the budget.

Our objective in 1985 will continue to be the search for peace. We will continue struggling for tranquillity for all Nicaraguans. But in order to have peace we will have to oppose aggression. That is why we say that in 1985, if we want to have peace, we must all oppose the aggression. For peace, we must all oppose the aggression. We must all participate in the fight against the mercenary forces in compliance with the tasks of Patriotic Military Service, of the militias, of the reserve battalions, and improving our fighting capacity. For peace, all must oppose aggression by participating in organizing the defense of our cities so we can face and defeat the eventual Yankee intervention; by participating in the revolutionary vigilance to control the CIA agents, who are trying to unleash terrorism in factories, other work centers, and in the neighborhoods of our cities; and by participating in the organization of civil defense.

For peace, all must oppose aggression by making every Nicaraguan a citizen capable of defending the fatherland. Because we love and defend freedom and the right to peace, which we won on 19 July 1979, we will continue searching for a negotiated political solution until we can establish a worthy system of coexistence with our attacker, the U.S. Government.

In 1985 we must fulfill our indispensable production goals.

For peace, all must oppose aggression, meet the requirements of the military defense, produce the goods indispensable for the people's consumption, guarantee the production of exportable goods, and guarantee support for the infrastructure necessary for this production.

The year 1985 demands peace, it demands that all oppose the aggression and struggle against inflation by regulating the subsidies policy, reducing the fiscal deficit, regulating public expenses, and regulating the investment programs and the credit policy.

In 1985 we must support peace, oppose aggression, control and diminish speculation in order to benefit the productive sector, defense, and indispensable services.

In 1985 we must redistribute income for the benefit of the rural and urban workers.

In 1985 we must put up an armed struggle against aggression. The more cohesive we are, the more efficient and more productive we will be.

In 1985 we will have to make extraordinary efforts to freeze the expansion of services in the cities and to direct those limited resources to the productive sector. In this way, water, electricity, housing, and staple goods must reach, as far as the material possibilities of the country allow, the main producers of wealth: the rural workers. The readjustment of wages and incentives for productive workers in the rural and urban areas and the readjustment of prices and the incentives for the efficient producers must be our guidelines. We must struggle with determination against speculators so that this sector will stop competing with the productive sector. That must be another of our goals.

All of these actions, translated into measures, are being demanded by the nation. By implementing them, we will defend the revolution. We will be loyal to the ideals of Zeledon, Sandino, Rigoberto, and Carlos. We will be faithful to the interests of the workers, peasants, the producers, the honest Nicaraguans.

Each Nicaraguan must be aware of the critical situation we are experiencing. If we want peace and if we desire tranquillity, we must all struggle to achieve them.

The year 1985 has been dedicated to the youth of the world. We will be dedicating this year to the Nicaraguan youth to the extent that we effectively struggle for peace and against aggression. We are confident that in the same way we defeated more than a century of oppression and imperialist exploitation through the defeat of Somoza, we will achieve that peace with dignity so that tomorrow we can pick coffee without the threat now hanging over the thousands of pickers who are today carrying out this noble task.

There will be peace in Nicaragua, but it will be peace with dignity because this is the desire of the heroic people who, filled with hope, work, fight, and sing.

The new year will be for peace! All against the aggression! Free fatherland [crowd shouts: "or death"].

DELGADILLO CALLS FOR CONSTRUCTIVE CRITICISM

PA030337 Managua Radio Noticias in Spanish 1200 GMT 2 Jan 85

[Text] Dialogue with respect, [word indistinct] of confiscations, and a climate of trust for producers was Cesar Delgadillo's [secretary general of the People's Social Christian Party] call so that Nicaragua can pull out of its crisis. Delgadillo said that so long as production is not increased, measures against speculation are worthless.

[Begin Delgadillo recording] The government to be inaugurated on 10 January must apply the constructive criticism made during the electoral campaign. The organizations which criticized the revolution constantly from 1979 to 1984 and have shown a determination to destroy must [word indistinct] and learn to live with the revolution. Based on this, with the beginning of the new presidential term, the first challenge that Commander of the Revolution Daniel Ortega Saavedra and his running mate Sergio Ramirez Mercado must face is to achieve peace at any expense. This peace must include the sovereignty, self-determination, independence, and freedom of our Nicaragua.

To achieve this end, they must engage in every necessary dialogue with whomever necessary so that the peace all Nicaraguans want can be achieved. All other achievements depend on the attainment of this goal. In the face of this challenge, all political parties that support the revolution, but that are also honest and sincere critics of it, must continue this positive attitude, playing a role within the revolution that democracy, political pluralism, a mixed economy, nonalignment, anti-imperialism, and a revolutionary devotion demand from them. They must also guarantee to the Nicaraguan people that these postulates will prevail and must make them be felt in all [words indistinct].

But those who have scathingly criticized the revolution and its leaders up to 10 January 1985, not to correct it but to destroy it, even by becoming an echo of the Reagan administration and by trying to supplant it with something very different and contrary to the interests of the Nicaraguan people, must make a self-criticism. They must ask themselves if the type of attitude they adopted from 1979 to 1984 is patriotic and human. They must stop and think, respecting the sovereign decision of the Nicaraguan people who elected their leaders freely and by a majority, [words indistinct] the revolution, because the revolution is and will be the will of the majority of Nicaraguans, as shown at the polls with the percentage of voters who went to them on 4 November 1984.

Therefore, they must play the true historical role [words indistinct] the revolution, accompanying the people without jeopardizing their ideologies and general positions.

The new government must review all the mistakes made and gather all the criticism made during the electoral process. For example, it must improve state-church relations, define the mixed economy, establish a political pluralism that is well-defined and respected, separate and respect the various branches of the government, review confiscations, expand freedom of expression, promote the mobilization and propaganda of political parties, guarantee union freedom, and make sure that the various state institutions comply with and enforce the rulings issued by the Supreme Court. It is deplorable that there are ministries that arrogantly refuse to comply with Supreme Court rulings. They must sort them out, analyze them, and put them into practice. When they enter into dialogue, they must also show respect.

I also want to stress the need for a direct dialogue between the government and the COSEP [High Council of Private Enterprise]. In other words, there should be a direct dialogue between the government and the industrial and agricultural producers. This dialogue must be aimed at creating a climate of confidence among producers to generate higher production of manufactured goods and larger harvests.

This, in turn, will bring about an end to shortages of staples and a greater availability of foreign exchange, thus favoring salaried workers and laying the groundwork to end speculation. Only in this way, I believe, will we start a new period that will bring peace and happiness to all Nicaraguan homes. [end recording]

FEATURE NOTES OPTIMISM OVER NEW YEAR PROSPECTS

PM021728 Manaua Radio Sandino Network in Spanish 1200 GMT 2 Jan 85

["Beyond the News Reports" feature: "A New Year"]

[Text] We begin a new year hoping that it will bring peace and happiness to the Nicaraguan people. We have the first freely elected government in our country since our independence. Although we are still experiencing ferocious imperialist attacks in their futile effort to stop and destroy the revolutionary process, there are great expectations for peace in the region and hence also in our country.

The entire world clearly and obviously knows of the complete failure of the warmongering and criminal policy of the Reagan administration against the Sandinist people's revolution. The prestige of this revolution increases daily and without restraint in view of the humanistic nature of its popular democracy and due to the great sympathy it generates throughout the world that in turn generates specific and practical solidarity.

This is so because all great human values and ideologies contributing to the greatness of the human species flow freely in this revolution. Hence, the main characteristic of the Nicaraguan revolution is that it is universal without having lost its own identity, which is rooted in its people, culture, and tradition.

Therefore, we begin 1985 fully convinced that there are great things in store for the Nicaraguan people because this is a young revolution essentially looking toward its future rather than to its past. This optimism is not based on simple vain illusions, but on daily confrontation with the reality that surrounds us.

Vainglory is not our symbol, but modesty and humility are because we number few and are a poor people. Nevertheless, we wholeheartedly wish the greatest good for ourselves and for all others. In sum, our entire policy boils down to a single thing that constitutes our greatest source of strength and wisdom: We want peace. This has made us invincible in all struggles that we have waged and that we will continue to wage in the future.

COSEP SAYS DEBT EQUALS 10 YEARS OF EXPORTS

PA022130 Panama City ACAN in Spanish 1943 GMT 2 Jan 85

[Text] Managua, 2 Jan (ACAN-EFE) -- The Higher Council of Private Enterprise, COSEP, has asserted that Nicargua's current foreign debt is equivalent to 10 years' worth of the country's exports. In a year-end message to Nicaraguan President-elect Commander Daniel Ortega, the COSEP recalled that in 1979 the Sandinists assumed a $1.6 billion foreign debt.

The businessmen added: "That debt was then equivalent to the total value of 2 and 1/2 years of our exports. Nearly 6 years later, our debt is three times as big. Our debt is now equivalent to the total value of 10 years of exports." They said: "The payment of the principal and interest for 1984 are equal to the value of our exports for the year." In their message to the president-elect, who will assume office on 10 January, the COSEP members urged Ortega to "try freedom" in order to "govern by himself" in an effort to improve the country's situation.

MARXIST-LENINIST PARTY REVIEWS 1984 ACTIONS

PA290245 Managua Radio Sandino Network in Spanish 0000 GMT 29 Dec 84

[Text] The principal activities carried out by the Marxist-Leninist Popular Action Party, MAP, during 1984 were its participation in the Nicaraguan State Council and its support of the electoral process, MAP Secretary General Isidro Tellez has reported. He said that after the party obtained official legal recognition last January, its actions expanded to include all of Nicaragua.

The Workers Front of the union affiliated was also granted official status and the two became part of the State Council, the colegislative body that ended its last legislative session on 4 December. Tellez emphasized the MAP's participation in the elections, saying that it allowed the party to regroup forces in a positive way.

On its participation in the political parties' summit that took place between 5 and 20 October, Tellez said that the MAP maintained positions that firmly supported the revolutionary process.

He reported that his party also attended the meetings of the national dialogue, where it fought against right-wing positions because these represent an attempt to make the political forum a parallel body to the National Constitutent Assembly, the Marxist leader concluded.

RADIO IMPACTO ON ARREST OF MANAGUA CORRESPONDENT

PA312329 San Jose Radio Impacto in Spanish 1830 GMT 31 Dec 84

[Text] Newsman and lawyer Salomon Calvo Arrieta, Radio Impacto's correspondent in Managua, was arrested on Saturday by Sandinist State Security officers. Eight men clad in military uniform, broke into the newsman's home, located in the (La Fosforera) neighborhood, and took him away after showing him an arrest warrant signed by Captain Oscar Loza, chief of operations of the General Directorate of State Security.

Calvo Arrieta's relatives have sought information on the case. The State Security officer they spoke with told them they would have to wait until 2 January to learn the reasons for the arrest and the exact place where the prisoner is being held.

Costa Rican news media today gave wide coverage to the arrest of Radio Impacto's newsman. LA NACION and LA REPUBLICA newspapers and the country's major radio stations have reported Calvo Arrieta's arrest. Likewise, international news agencies ACAN-EFE and UPI have reported the arrest in their international dispatches.

Salomon Calvo Arrieta is the second Radio Impacto correspondent to be arrested for the crime of reporting the news through this radio station. In April the Anti-Somozist People's Tribunals arrested, tried and convicted Luis Manuel Mora Sanchez to 9 years imprisonment. He received a pardon after serving almost 6 months in jail thanks to the Nicaraguan Conservative Party's intercession on his behalf. As the year ends, it is the turn of Mora Sanchez' coworker, friend, and colleague, Salomon Calvo Arrieta, to serve time in a Sandinist jail.

ARDE DIRECTORATE ISSUES MESSAGE ON 1985 GOALS

PA021540 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2230 GMT 1 Jan 85

[Statement issued by the Democratic Revolutionary Alliance, ARDE, Revolutionary Directorate; date and place not given]

[Text] On behalf of ARDE's Revolutionary Directorate, we address the Nicaraguan people, our 7,000 heroic fighters, the world's democratic sectors, and all forces truly interested in a Latin American revolution to report that 1984 has been a fruitful year for ARDE.

The year has ended for us [words indistinct] in the political and military arenas. For ARDE, 1984 was a year to consolidate its political-ideological program, which is [word indistinct] as revolutionary, nationalistic, and genuinely Sandinist as the one we intended to establish after the fall of the Somoza dictatorship.

A group of organizations that used to be identified with us has now decided to pursue another type of program. This has made our political-ideological program more specific and clearer to the Nicaraguan people.

In 1984 we were able to explain our political plans for Nicaragua to the international community. We were recognized as a decisive force opposed to Managua's totalitarian communism without representing the danger of a return to the Somozist past.

We have ended the year by acquiring more international solidarity. At the end of year Commander Pastora, commander in chief of our armed forces, took a trip to Florida, where he received the full support and solidarity of the Cuban democratic communities in exile and of all Nicaraguans in exile who want to return to a democratic Nicaragua.

Commander Pastora was able to obtain aid for our fighters in the form of medicine, clothes, boots, and uniforms. This means that our forces, unlike the other forces that are abandoning the armed struggle, can continue advancing.

Militarily, we fought in 35,000 square kilometers. The enemy does not dare enter the area measuring approximately 9,500 square kilometers that is under our control. ARDE's peasant fighters control a large sector of the southeastern part of Nicaragua, from Bluefields along the Rama River to Nueva Guinea. Every day the peasant fighters grow stronger and more combative because under the leadership of Commander Pastora, these forces will not take a step backward. They will continue struggling despite the shortage of supplies, despite the talks in Manzanillo where the United States is negotiating with the FSLN, and despite other problems.

We can say that 1985, the year that is now beginning, will be a year of more struggle, more drive, and more sacrifice. Our struggle has not and will not stop, as some have said. On the contrary, our struggle grows stronger.

We do not accept the so-called inauguration of Daniel Ortega on 10 January because it is the result of an electoral farce. It is the product of the imposition of a totalitarian regime, that does not want to give any freedom to the people, to the newspapers so they can publish what they please, or to the peasants so they can work and sell their crops without obstacles. Amid this lack of freedom, Daniel Ortega is talking about his inauguration and considers himself president.

In 1985 the struggle is going to be harder because the dictatorship is trying to legalize itself. We do not accept this presidential inauguration and, therefore, we will continue the struggle.

ARDE's struggle is opening the eyes of the democratic world. In 1985, the Revolutionary Directorate and all ARDE's political cadres will undertake a political-diplomatic offensive in Latin America, the United States, and Europe. Our message is being awaited in 1985 because the FSLN can no longer deceive the people into believing that it is carrying out a democratic, humanitarian, and Sandinist revolution. It has been unmasked The people know what the FSLN is; they know that it wants to impose a communist system, to be an agent for Cuba and the Soviet Union's expansionism, and to destroy the real democratic revolution that we Nicaraguans want under the authentic ideals of General Sandino, with a popular plan that will bring about changes for the majority and bring peace and progress for all of our people, the peasants, the poor, and the market women. They all need the real revolution. The world now knows that the FSLN does not offer that revolution because it is a Marxist-Leninist party at the service of the Soviets and Cubans.

ARDE has raised the truly nationalist banner of Gen Sandino. It will carry out an international political effort to point out the alternative it offers. It will indicate that the alternative is not to have our people return to a past of exploitation and oligarchy. Instead, the true alternative is a process of democratic changes that will really affect the oligarchic structures and benefit the great majority.

ARDE, with its 7,000 peasants struggling under the leadership of Commander Pastora, is not only America's hope; it is the hope of the underdeveloped continents that seek their own paths, that seek third paths because the powers have tried to limit us to a choice between a capitalism where the poor are always exploited or a communism where the poor and the peasants are also exploited by a state that is the employer. We seek a democratic revolution. Sandino is our guide on the authentic path of liberation.

We do not want anything to do with the communists. We do not want anything to do with the Marxist-Leninists. The real revolution, the authentic source of democracy, is found in the nationalism that ARDE advocates.

In 1985, ARDE will definitely consolidate itself in the heart of each Nicaraguan. It will be consolidated as the alternative to the communist model of the FSLN. While other groups that did not have a consistent ideological message ended 1984 by breaking away from the armed struggle, dismantling their offices, or falling into pessimism, ARDE, believing in our democratic ideals and the support of the peasants and convinced that Nicaragua does not accept communism or a return to the past, will be and is being consolidated in the heart of every Nicaraguan patriot.

Therefore, 1985 will be the year of ARDE's democratic revolution. It will be the year of the rescue of Sandinism from the grip of the communists who are now using it and distorting it to make the people believe that they are carrying out a true revolution. We begin 1985 with optimism, with the desire to increase the struggle and sacrifice so as to provide the answer to our people, to these peasants who in southeastern Nicaragua are fighting amid serious economic circumstances, to the people who hope that Nicaragua's situation will change, to the mothers who are suffering so much because their sons are being kidnapped and sent to be killed, and to those youths who are the strength and energy and who are only waiting for the right moment to join ARDE's liberation forces. We tell all these sectors that we will move ahead in 1985. We will not take a step back. We are not going to accept the pseudomeasures that Daniel Ortega will take on 10 January to make the people believe that everything is fine. On the contrary, in 1985 the FSLN wants to consolidate its communism. We plan to consolidate the democratic revolution.

All Nicaraguans to the struggle! All true Sandinists to the struggle! All honest soldiers and militiamen to struggle for the rescue of the revolution, to struggle so that, as the ARDE Revolutionary Directorate states, 1985 will be the year of ARDE's democratic revolution!

SOVIET FLOTILLA ENDS OFFICIAL VISIT 2 JAN

FL030238 Havana Television Service in Spanish 0100 GMT 3 Jan 85

[Text] Commander of the Soviet flotilla visiting Cuba Vice Admiral V.P. Ryabov has placed a floral wreath before the mausoleum of the Soviet internationalist soldier. He was accompanied by ship Captain Miguel Valle Miranda, chief of the Cuban Revolutionary Navy's political department. The detachment, which today ends its official visit to Cuba, includes ships from the North Sea fleet.

AFGHANISTAN SENDS CONGRATULATORY MESSAGE

FL022014 Havana Domestic Service in Spanish 1700 GMT 2 Jan 85

[Text] Babrak Karmal, secretary general of the People's Democratic Party of Afghanistan and chairman of the Revolutionary Council, has congratulated Cuban leader Fidel Castro on the occasion of the 26th anniversary of the revolution.

The message sent to the party's first secretary and president of the Councils of State and Ministers stresses Cuba's role in preserving peace and reducing international tensions. It also shows confidence in the continuous development of Afghan-Cuban relations in the best interest of their respective countries and of world peace and security.

BOLIVIAN GOVERNMENT MUST STABILIZE ECONOMY

PA311517 Havana International Service in Spanish 0000 GMT 30 Dec 84

[Report by Jorge Luna, PRELA correspondent in La Paz -- recorded]

[Text] All national sectors in Bolivia have their eyes on the elections scheduled for next June, although during the next 6 months several stumbling blocks will have to be overcome. The most difficult task, according to government spokesmen, will be the economic stabilization of the country. Due to this, the authorities are expected to enforce a series of austerity measures within the next few days.

A minister of the economic sector said that there is no reason to wait for elections before taking the measures that the economy requires, but within labor union circles there are fears that these measures could once more affact the people and result in a natural rejection of the government. Although there is presently a delicate social truce, a new labor sector response to the government measures could be unleashed with the consequent social situation that has characterized Bolivia in recent times.

On the political level, there are still several issues to be cleared up before the elections, which have been moved up 1 year due to an agreement between the government and the right-wing opposition. For example, the right-wing forces seem to have centered their support on two candidates -- former President Victor Paz Estenssoro and former dictator Hugo Banzer -- while the left wing has not yet announced its alliances, much less its candidates. These decisions will have to be made within the next few weeks.

President Hernan Siles Zuazo has not yet restructured his cabinet. He supports the continuation of political consultations. With these points defined, with an economic stabilization program under way, and with a reorganization of the military forces at the end of the year, Bolivia can begin to think about the elections. All of these factors weigh on the atmosphere in which the Bolivians move, after 26 months of democratic process, during which all possible measures were attempted to destabilize Siles Zuazo. The decisions of the next few hours could decide the path the country will take during the next few months.

COMMENTARY EXAMINES LATEST BOLIVIAN CRISIS

FL011644 Havana Television Service in Spanish 1300 GMT 31 Dec 84

[International commentary by Juan Martin and Francisco Ramirez]

[Excerpts] [Martin] After a peaceful solution of a dangerous conflict within Bolivia's Armed Forces, which could have interrupted the democratic process initiated over 2 years ago, there was peace again in Bolivia and the country awaits developments of the presidential elections scheduled for next June. For weeks, there were rumors of a possible coup d'etat hatched by right-wing pressure groups attempting to obstruct by all means the democratic path initiated by President Hernan Siles Zuazo's government. In the middle of last week, the Bolivian Labor Federation warned President Siles Zuazo about a coup plan to change the core of the Armed Forces. General Jose Olvis Arias, chief of the Army, was relieved of his post by the president, who is also captain general of the country's Armed Forces.

This happened at noon Saturday and General Olvis Arias refused to obey the presidential decision and entrenched himself in Miraflores Headquarters, one of Bolivia's largest headquarters, located in La Paz. The three military forces staffs are located there, as well as an important armored unit.

The tension lasted 23 hours and Bolivians awaited the development of a possible military coup, due to Olvis Arias' stern opposition to the president. He broadcast over a right-wing radio station his refusal to obey the president's decision, saying he had been appointed to his post exactly 2 months ago and his term should end in 2 years.

[Ramirez] However, when the Ingavi Regiment, which is a powerful military regiment in Miraflores headquarters, began its operation, Olvis Arias' attitude collapsed. It is known that he resisted Siles Zuazo's order to withdraw from his post and was replaced.

At this time, conditions did not exist for this conspiracy to flourish. We have to remember that a few days ago, the Bolivian head of state decided to move the elections forward by 1 year, to June of 1985. This was an agreement reached with right-wing parties. Numerous sources say Siles Zuazo acted fast because he had had reports about the rightist military coup based in the Santa Cruz region, the strategic Santa Cruz region in the southeastern part of the country, and that was going to be a very difficult blow for the country. After the coup plotters made the agreement with the president permitting the elections to be moved forward, they decided to apply a little pressure to avoid facing elections. Their objective is to remove the president and recover the posts they lost 2 years ago. They have the power and resources of some private businessmen and drug traffickers, which is another problem the Bolivian president has been confronting for some time.

Siles Zuazo is a very experienced politician. He is used to these situations. During the Chaco War, he was decorated. He participated in the people's rebellion of 1952, which resulted in that year's revolution and brought about agricultural reform, the nationalization of tin mines, and universal suffrage. Also, during Rene Barrientos' dictatorship he came back to the country disguised as a railroad fireman to fight against the regime. So he is used to this type of political battle and this type of rebellion.

[Martin] I think we also must say that General Olvis Arias has very close ties to ultra-rightist sectors in the country and everything appears to show that the plans called for a coup d'etat. However, Bolivia's Armed Forces commanded by General Simon Sejas Tordoya, who is the commander in chief; and the chief of land army, the one who took General Olvis Arias' place, General Jose Raul Lopez Leyton, brought about a peaceful situation by an Army operation surrounding Miraflores Headquarters first and then establishing negotiations with Olvis Arias successfully, as we all know.

[Ramirez] Even though Siles Zuazo will thank the Armed Forces for the prompt and skillful way they handled this rebellion, Bolivia's president will confront not a few problems. The Military Commands Law, which makes annual changes on the general staff and designates generals who command troops, is pending. Siles Zuazo is also studying a set of economic measures to be applied in the country to guarantee recovery. Bolivia is facing one of the worst economic crises in its history. These measures have been rejected on several occasions by the labor movement because of their severe effects on the people.

Last November, there was a general strike. The Bolivian Labor Federation reported Olvis Arias' conpiracy. However, it is also closely following the government's economic measures because they logically affect the people's pocketbooks.

PAN PROMOTES POLITICAL VIOLENCE IN MEXICO

FL022244 Havana Domestic Service in Spanish 1505 GMT 2 Jan 85

[Text] Mexico's right-wing National Action Party [PAN] continues to promote political violence in several cities in northern Mexico after refusing to accept the elections being won by the governing PRI party. PAN members had begun protesting the inauguration of PRI candidate Carlos Juarisqui in the city of Piedras Negras, on the U.S. border.

In the Monclova area, the Mexican Army is continuously patrolling the streets to stop eruptions of violence because of PAN's refusal to accept the victory at the municipal level by PRI candidate Salvador Esquivel Median.

According to several reports and political press sources [as heard], PAN is supported and financed by the United States, and also has the support of the right-wing clergy in Mexico.

COMMISSION FORMED TO PLAN 3D PARTY CONGRESS

FL021400 Havana Domestic Service in Spanish 1100 GMT 2 Jan 85

[Text] In accordance with the PCC's statutes, the 10th plenum of the party's Central Committee has agreed to hold the 3d party congress in December 1985. To that effect, a Central Preparatory Commission has been formed by Politburo members and Central Committee Secretariat members, as reported by the convocation signed by the party's first secretary, Fidel Castro.

Among the commission's functions are to learn about the 3d congress' main organizational aspects and make necessary decisions. It will also lead the preliminary political process, especially, assessment meetings of grass roots organizations and intermediate party organizations, and the selection of congress delegates.

The convocation says the 3d party congress will make a critical study of the fulfillment of political, economic, social, and cultural goals approved by the 2d congress.

Considering the study's results, the 3d congress will define the most important tasks for the next 5 years and will draw up the main development plans for Cuban society until the year 2,000.

The convocation says the party's Central Committee believes there are adequate conditions for drawing up the Communist Party of Cuba program. It adds that this significant document, which will be the party's most important collective political and theoretical project, will reaffirm the accuracy of the socialist path chosen by Cuba's revolutionary people and demonstrate the prospects for their sound future.

The party's plan will be discussed by the labor class, by all working people, so their opinions can be gathered and studied, which will doubtlessly enrich the text's content.

The convocation adds that the 3d congress delegates will be selected in provincial meetings and in Ministry of the Revolutionary Armed Forces (Minfar) and Ministry of the Interior (Minint) conferences based on a ratio of one delegate for each 350 party members and candidates. They will also be directly selected from a group of grass roots organizations, especially selected from work centers and military units, considering their good work record and their economic, political, and military importance.

The party will make an effort for 30 percent of the 3d congress delegates to be workers directly related to material production. The remaining delegates will be service workers, peasants, teachers, professionals, technicians, journalists, artists, writers, Minfar and Minint members, political and administrative leaders, among others.

DELEGATION TO VENEZUELA TO DISCUSS OIL SUPPLY

FL281530 Bonaire Trans World Radio in English 1130 GMT 28 Dec 84

[Text] A high-level Dominican Government delegation will visit Caracas this weekend to meet with Venezuelan President Jaime Lusinchi on matters related to oil supply. A spokesman said Dominican President Jorge Blanco spoke Tuesday on the phone with Mr Lusinchi about Venezuela's oil supply to the Dominican Republic. He also talked to Presidents Raul Alfonsin of Argentina, Miguel de la Madrid of Mexico, and Luis Alberto Monge of Costa Rica, members of the so-called San Jose agreement through which Caribbean countries are granted special treatment by the region's oil-producing nations.

The Dominican Republic buys 28,000 barrels a day of crude from Venezuela and Mexico.

Refinery President Comments

FL291856 Santo Domingo Radio Commercial in Spanish 1600 GMT 29 Dec 84

[Text] The president of the Dominican Petroleum Refinery said today that the Dominican Republic will be able to obtain an increase in its petroleum quota, because this had been agreed to with Venezuelan and Mexican officials.

Leopoldo (Espayarnarita), who is also an architect, added that yesterday's proposal by three high-level government officials to the president of Venezuela had been agreed to during a previous trip. He said there was an unused amount of petroleum with the global quota which Mexico and Venezuela had set, and in the Dominican Republic's case, the market is substantially larger than the quota it has.

(Espayarnarita) explained that under the agreement the country is only entitled to 28,000 barrels, half from Mexico and half from Venezuela, while the market fluctuates between 44,000 and 45,000 barrels a day. Therefore, the difference must be made up by imports, which are not financed. This represents foreign currency outlays for the Dominican Republic, said the president of the Dominican Petroleum Refinery. He said the production capability of the refinery was undergoing expansion to be able to handle some 32 barrels a day in order to reduce the volume of crude imports.

BOSCH DENIES ACCUSING PENA OF ACCEPTING FUNDS

FL011348 Bonaire Trans World Radio in English 1130 GMT 1 Jan 85

[Text] Former Dominican President Juan Bosch yesterday denied he had accused the mayor of Santo Domingo of taking $500,000 from the Venezuelan Government to spend on getting nominated for the 1986 presidential election. Last week, Mayor Jose Francisco Pena Gomez said he would sue Mr Bosch for defamation of character for allegedly saying on a television program that Mr Pena had received $2.5 million to finance his nomination, including half a million from Venezuela.

The charges drew an angry denial from leaders of Venezuela's ruling Democratic Action Party, which has ties to the ruling Dominican Revolutionary Party, of which Mr Pena is secretary general. Mr Bosch, who now heads the Dominican Liberation Party, said the Venezuelan Democratic Action leaders had been misinformed about his comments.

CARICOM COUNCIL OF MINISTERS TO MEET 28-31 JAN

FL281930 Bridgetown CANA in English 1840 GMT 28 Dec 84

[Text] Georgetown, Guyana, Dec 28, CANA -- The Caribbean Community and Common Market (Caricom) Council of Ministers will meet here from January 28 to 31, a Secretariat source said today. The council, the most important Caricom organ between summits, is expected to discuss matters relating to the Common Protective Policy (CPP) for agricultural products, the Caricom Multilateral Clearing Facility (CMCF), air and sea transport, and to review progress in implementing decisions taken by heads of government last July to stimulate shrinking regional trade, the source said.

The CPP was approved by the ministers of agriculture last month and it is set for implementation from March 31 subject to its ratification by the council. It liberalises and encourages intra-regional trade by lowering the tariff barriers for regional agricultural and livestock products, while raising those for products coming from outside the region.

There have also been attempts to revive the CMCF since the credit mechanism was suspended last year after reaching its credit ceiling of U.S. 100 million dollars. Secretary General Roderick Rainford told CANA last week that Caricom finance ministers will be meeting before the end of January in Georgetown to see how far we will be able to go in reactivating the CMCF.

DOMINICA

PRIME MINISTER TO HOLD AID TALKS WITH CANADA

FL021722 Bridgetown CANA in English 1652 GMT 2 Jan 85

[Text] Roseau, Dominica, Jan 2, CANA -- Dominica Prime Minister Eugenia Charles will have aid talks next month with her Canadian counterpart, Brian Mulroney. Heading the list of topics will be a national water project to distribute pipe-borne water to all Dominican homes, Charles said in an interview which the Government Information Service released today. It is unfortunate that this project which was in our hands a few years ago was allowed to slip out, Charles said. The discussions will take place in Jamaica, where Mulroney will attend a Canada-Caribbean Community (Caricom) summit. Charles was confident that, in spite of reports that the new conservative government in Canada was cutting back on foreign aid, her requests would receive favourable attention.

Charles said that Dominica is to approach the European Investment Bank for assistance in developing the island's hydro-power capability. A similar project was before the World Bank, but the institution was not prepared to grant concessionary funding.

Looking ahead to 1985, Charles said emphasis will be placed on industrial development. More factory shells will be built to accommodate investors. The Dominican Prime Minister also spoke about the vital banana industry, saying that while the country had no intention of giving up the industry now faced with a 16 million EC dollar debt and a low exchange rate before the pound sterling, efforts will continue to ensure its viability. Charles said that she hopes the United States dollar would begin to slide downward so as to allow the pound to increase in value. If it doesn't happen, it is going to be very disastrous for the United States. We must have a pound that is worth more than what it is now. Britain is the major market for the island's bananas, which account for 70 per cent of local foreign exchange earnings.

Marketing of Dominica's agricultural produce will be the major emphasis of the government in the coming 12 months, she said.

GRENADA

1984 REPORTED MOST SUCCESSFUL TOURISM YEAR

FL312036 Bridgetown CANA in English 2029 GMT 30 Dec 84

[Text] St George's, Grenada, Dec 30, CANA -- Grenada's second foreign exchange earner -- tourism -- landed the country approximately 45 million dollars (one EC dollar; 37 cents U.S.) this year, the government reported today. Corresponding figures for last year were not given.

The government, in a statement, said that 1984 is threatening to prove to be the most successful year in the history of our records since 1973. The statement also indicated that 4,245 stay-over visitors came to the island in November -- an increase of over 200 per cent over arrivals for the corresponding month last year. There was a significant decline in visitor arrivals in Grenada last year, brought about by the October 1983 bloody Army coup in which Prime Minister Maurice Bishop, three of his cabinet colleagues, and several others were killed. The statement said that last November major increases in visitors arrivals were recorded from member countries of the Caribbean Community (Caricom), the United States, Canada, and Britain. The new Grenada Government of Prime Minister Herbert Blaize is looking towards tourism to help provide job opportunities to ease the unemployment situation estimated to be in the vicinity of 30 to 50 per cent of the labour force.

JAMAICA

SEAGA ANNOUNCES NEW JOB-GENERATING PROJECTS

FL021818 Bridgetown CANA in English 1804 GMT 2 Jan 85

[Text] Kingston, Jamica, Jan 2, CANA -- Some 138 new projects representing a capital investment of 352.8 million dollars (one J. dollar - 25 cents U.S.) were established here in 1984 through the Jamaican National Investment Promotion Limited (JNIP). Last year there were 86 new investment projects, with capital of 58.7 million dollars. According to Prime Minister Edward Seaga, the projects had generated jobs for more than 5,400 people and had an employment potential for 15,000.

Giving a breakdown of the new investments, Mr Seaga said 47 of the projects were in manufacturing with a capital investment of 57.5 million dollars and an employment figure of 3,254 persons, of a projected 7,947. In agriculture, he said, 39 projects were implemented totalling 166.7 million dollars in investment and employing 1,203 persons with potential employment for 5,483.

The tourism sector accounted for 16 projects valued at 16.9 million dollars and employing 229 persons, while 14 small businesses costing 4.5 million dollars employed 108. An investment total of 45 million dollars resulted from two projects in construction and housing, employing 140 persons from a projected 350.

Two projects exploring non-metallic minerals have resulted in jobs for 10 persons with employment possibilities for 65. Investment cost is 1.3 million dollars. One project in banking and finance valued at 5.3 million dollars has employed 12 people while a 49 million dollar energy project employs 50 people. Another 16 projects including 13 films implemented through the film unit of the JNIP established earlier this year accounted for 6.5 million dollars, with owrk for 401 persons. Several feature length films were also in the pipeline as a result of promotional work being done abroad by the unit, Mr Seaga noted.

He also disclosed that 65 foreign sales corporations have been registered here.

The JNIP was established by the prime minister in 1981 to generate new investment activities.

TRADE AGREEMENT WITH USSR CAUSES 'FRICTION'

FL312006 Bridgetown CANA in English 2251 GMT 29 Dec 84

[By Paget Defreitas]

[Text] Kingston, Jamaica, Dec 29, CANA -- Some friction has developed here over the high local retail prices of Soviet-made cars imported under a counter-trade bauxite agreement between Kingston and Moscow.

Under the deal signed last year, the Soviets agreed to buy one million tonnes of bauxite a year for seven years. Jamaica, in turn, agreed to purchase Russian goods up to 20 per cent of the value of the bauxite sales. Jamaica opted for the Lada car which the Soviets say is aimed at the low income earner. But constant devaluation of the local dollar over the past couple months has pushed the price of a 1200 cc Lada up from 11,000 dollars (one J dollar; 24 cents U.S.) two years ago to 28,000 dollars today.

Eduard Barlaban, a Soviet trade representative based here, says while Moscow would like to see a price drop, it didn't plan to cancel the deal as reported in the daily Jamaica GLEANER. It (the high price) has created a problem, he said.

Cancellation of the deal would be a hard blow for the vital bauxite industry, hit by a soft market that has caused a drastic drop in production. It would also mean a loss of 26 million dollars (U.S.) to the financially-strapped economy, informed sources said. Apparently because of the high prices, there's a huge pile-up of Ladas here, both on the Kingston port and in the show rooms of local dealers. The bauxite deal is the conversion of a previous arrangement signed by the former Michael Manley administration which provided for the sale of 250,000 tonnes of alumina to the Soviets.

Coupled with the local currency devaluations, high government taxes on motor vehicles have also pushed up car prices here. But the Lada still remains a bargain compared with western-made cars, the cheapest of which is said to be in the region of 55,000 dollars. The Lada is a comparatively cheap car and previously was affordable, Barlaban said. Now, because of various reasons, it has moved out of the reach of those for whom it was intended. The government's tight credit squeeze imposed in January 1984 amid a deepening foreign exchange crisis also has not helped the situation. The upshot: Of the 1,500 Ladas imported this year, 400 are still on the Kingston docks and it was only recently that over 200 were cleared after six months.

Some car enthusiasts have advanced the argument that one of the reasons the Ladas were not top sellers was because of front end problems and heavy steering, a suggestion dismissed by both the Soviet trade official and Roy Desouza, president of the Jamaica Auto Dealers Association. Desouza said his association had proposed that government lower the prices. I have a feeling they are trying to do something, he said. The government will realise that they have to reduce the price of the 1200 cc's. Jamaica Government officials have so far declined comment on the issue, which could have implications for the future of Soviet-Jamaica trade.

The continued purchase of Jamican bauxite by the Soviets is important to Jamaica in face of the continued downturn in the world aluminium market. The soft metal market has caused bauxite production here to slump from 12 million tonnes in 1980 to 7.7 million tonnes last year. Industry officials don't expect the 1984 out-turn will be much better.

Under the agreement, Jamaica is not bound to buy cars. It could purchase other Russian commodities, largely in the industrial field. But informed sources here say that Kingston has not identified many other Soviet products which it wishes to have. There is an obligation which both parties have to fulfill under the agreement that was signed by Jamaica and the Soviet Union, Barlaban said. If Jamaica does not or cannot use the Ladas, there (are) other Soviet products that it may wish to purchase. For, as the official pointed out, Moscow is not purchase of its vehicles purely out of obligation then having them pile-up here. [sentence as received] We would like to see them sell not only for the sake of selling them... we want see them used, he said. That is a point local auto dealers agree with, and recently they have put ads on television telling consumers what a good vehicle the Lada is.

AID PLEDGED FOR ETHIOPIAN FAMINE VICTIMS

FL021836 Bridgetown CANA in English 1747 GMT 2 Jan 85

[Text] Kingston, Jamaica, Jan 2, CANA -- The Government of Jamaica has pledged 50,000 dollars (one J. dollar - 25 cents U.S.) towards providing relief for famine victims in Ethiopia. Prime Minister Edward Seaga, who made this announcement at the launching of the national Ethiopian Relief Committee, said the sum would augment other donations for a more meaningful contribution from Jamaica.

The committee is comprised of representatives from musical groups, including Tuff Gong records and Rita Marley, Jimmy Cliff, the Mystic Revelation of Rastafari, the church, the private sector, and service clubs. It brings together the disparate efforts to help Ethiopia. Activities planned by the committee include a national fast and donation day when persons will be asked to fast for the day or for one meal and donate the cost of the meal or meals to the committee.

OPPOSITION PNP SEEKS 1985 GENERAL ELECTIONS

FL022030 Bridgetown CANA in English 1858 GMT 2 Jan 85

[Text] Kingston, Jamaica, Jan 2, CANA -- Jamaica's opposition Peoples National Party (PNP), maintaining its questioning of the moral legitimacy of the Edward Seaga government, has renewed its pledge to press for general elections this year. We refuse to permit the country to be led by a political party which has no moral legitimacy as government, and a party which has given away responsibility for local decision-making, and what is left concentrated in one pair of hands, said PNP leader Michael Manley in a new year's message that contrasted with one delivered by Prime Minister Seaga.

With the delivery of new voter-identification cards nearing completion and an up-to-date register in place, political observers here say that Manley's remarks could have set the political tone for 1985. The PNP boycotted general elections in December 1983 on the grounds that they were held on an outdated voters' list and that the government had reneged on a 1980 agreement between both parties that no further national polls would be held before the introduction of a new system to radically reduce voter fraud.

Manley in his statement found much grist in the grim economic conditions most Jamaicans faced in 1984, and said that conditions were this way because pride, conceit, and arrogance ruled over the land, leaving no place for humility. However, Seaga in his message repeatedly said that he was forced to introduce the tough adjustment measures because of excesses of the 1970's, when the PNP formed the government. He said that though there would be continued difficulties this year, the International Monetary Fund-related adjustments would be less severe and that 1985 would be the turning point if the country maintained its course.

The financial year of the government does not correspond with the calendar year by which we live, and there are still three months remaining for the 1984-85 financial year, which I had last year warned would be a severe period of adjustment, Seaga said. But all indications tell us that, apart from technical lapses, we are on target in our projections for the financial year. Therefore, if we continue to meet these targets we will be able to move into the second and much less rigorous phase of the adjustment programme in April of 1985, he added.

However, Manley said that his party had for three years warned that the development path which was being pursued by Seaga, rooted in a philosophy of dependence and the belief that development could be stimulated by unbridled consumer consumption, would lead to the inevitable collapse of the economy. Not only had this happened, he claimed, but there had also been a devaluation of the moral fibre of the country, he said. Added Manley: We believe that if Jamaica is to have any hope for a future of stability, its political directorate must rest on a base of unquestioned legitimacy.

But according to Seaga's assessment, Jamaica had come through 1984 without major disruption or dislocation, and the country had done well in some areas, such as garment exports. Many strong decisions were made fearlessly in 1984, and others will follow in 1984 as we reinforce our determination to deal with long outstanding problems that have have been put off year after year by those who have been too timid to do what is necessary.

ST VINCENT AND THE GRENADINES

INCREASED BANANA EXPORTS REPORTED FOR 1984

FL312258 Bridgetown CANA in English 2002 GMT 31 Dec 84

[Text] Kingstown, St Vincent, Dec 31, CANA -- St Vincent and the Grenadines made nearly four million dollars (one EC dollar; 37 cents U.S.)more from banana exports this year than it did last year, a top industry official said today. Walden Ryan said production of bananas, St Vincent and the Grenadines' main export, was up 20 per cent this year compared with the 1983 figure and sales rose by 13 per cent. According to Ryan, manager of the St Vincent Banana Growers Association (SVBGA), production amounted to 32,069 tons, up from 27,892 tons last year. Sales brought to 30 million dollars, compared with 26.2 million dollars in 1983.

Most of St Vincent and the Grenadines' banana exports go to Britain, but the falling value of the pound sterling has reduced the real earnings of the SVBGA. Ryan said this adversely affected plan to expand the industry, including a replanting programme. There are over 4,000 banana farmers in St Vincent and the Grenadines. Just over 6,000 acres are under banana cultivation.

TRINIDAD AND TOBAGO

1984 ECONOMIC, POLITICAL PROBLEMS VIEWED

FL010044 Bridgetown CANA in English 1954 GMT 31 Dec 84

[By Reudon Eversley and Debra Ransome]

[Text] Port-off-Spain, Trinidad, Dec 31, CANA -- Declining foreign reserves due to falling export income, plus rising unemployment, increasing industrial unrest, and mounting financial difficulties in the business sector were all clear signs that Trinidad and Togabo's oil-based economy came under increased pressure in 1984.

Politically, the pressure on the ruling People's National Movement [PNM], in power here [words indistinct] no less intense. Despite a campaign that brought out all its big guns, the PNM suffered a crushing defeat in local government elections in the sister isle, Tobago, in November, calling into question the party's own future. It was the second clobbering for the PNM in local government polls in close to two years and political analysts went into a huddle questioning the leadership of Prime Minister George Chambers.

For Chambers and the PNM government, there was pressure, too, from the labour movement, which grew increasingly restless about the squeeze on workers occasioned by the straightened economic circumstances. During December, thousands of workers twice marched through the capital, Port-of-Spain, as part of a joint campaign by the two rival trade union groupings here to pressure government into ensuring that the nation's high living standards are maintained.

About 20 unions are represented by the conservative Trinidad and Tobago Labour Congress (TLC) and the radical Council of Progressive Trade Unions (CPTU). Their main concern is an attempt by employers to enforce a policy of wage restraint because of the slowed inflow of petro-dollars. Labour leaders, too, are worried about the high level of retrenchment of workers, claiming thousands have lost their jobs via this method in the past two years. When workers suffer, governments fall, warned opposition leader Basedeo Panday in Parliament as the workers staged their first massive demonstration outside the Red House on November 23.

Up to June, the total labour force was officially posted at 470,900, out of a population of 1.1 million. The number of unemployed was estimated at around 60,300 or 12.8 per cent. Labour leaders and the Merchant Bank of Trinidad and Tobago say the figure might well be much higher. The unions say its more in the vicinity of 20 percent.

A marked slowdown in trading among members of the 12-nation Caribbean Common Market compounded the workers' dilemma. Hundreds of them were thrown out of jobs as factories either closed or operated with smaller staffs. Further angering the labour movement was government's declaration that, given the economic circumstances, it could afford no more than a six per cent rise in pay for 65,000 public service workers.

At the root of the difficulties facing the Trinidad and Tobago economy is a marked slow down in the petro-dollar inflow to which this two island Republic had become accustomed since the astronomical 1973 world oil price rises. Oil, the engine of economic growth here for the last 40 years, has traditionally been the main source of government revenue and foreign exchange earnings. It peaked in 1980 at 42 per cent of gross domestic product (GDP), but slipped to 23 per cent in 1983, amid falling domestic output and a persistent over-supply situation in the international petroleum market.

Due mainly to an unhappy petroleum oil sector, Trinidad and Tobago's very healthy foreign reserves of 7.6 billion dollars (one TT dollar; 41 cents U.S.) of 1981 plummeted to a six-year low of 3.1 billion at the end of the 1984 third quarter. And the national debt was at a new high of three billion dollars.

A government economic adjustment programme that included tax increases and massive cuts in spending and imports was meeting its objectives by year-end, according to the Ministry of Finance. Up to September, government had cut spending by 13 per cent, capital expenditure had gone down by 1.1 billion dollars or 34 per cent compared with 1983. Oil output was averaging about 4.5 per cent above 1983 levels.

Up to September, government had reported a 498.9 million dollar surplus in international trading, turning around a 701.7 million dollar deficit posted for the corresponding nine-month period in 1983.

Inflation decelerated to 13.3 percent in September from 17.1 percent for the same month in 1983, but this was still relatively high when compared with some Caricom countries like neighbouring Barbados, which reported 4.7 percent.

Not many people were looking forward in the new year to Prime Minister Chambers' 1985 budget, expected to be presented in January. Until the government's diversification programme is fully on stream the fear here is that more belt tightening is at hand. Year end found Industry Minister Desmond Cartey handing out the good news that a newly set-up state-UN export promotion agency had completed its first major mission to Puerto Rico and was optimistic of about 10 million dollars (U.S.) in sales to the American territory in the next year.

On the political front, the close of 1984 found the political opposition optimistic about their chances of coming to power in the next general election, following the 11.1 thrashing of the ruling PNM in November local government elections for the Tobago House of Assembly (THA).

When people express themselves in this particular way, then it means any obstacle to their progress, anything which is both contrary to their deepest convictions and beliefs will come into conflict with them, said A.N.R. Robinson, leader of the Democratic Action Congress (DAC), about the party's runaway win. If the PNM stands for something in conflict with this, they will be in conflict in PNM.

Robinson, Alliance head Basdeo Panday, and Organization for National Reconstruction (ONR) leader, Karl Hudson-Phillips, were hammering into shape a coalition to mount the main challenge to the PNM in 1986, when the next national poll is due. No leader has yet been chosen for the new National Alliance for Reconstruction (NAR), but the DAC's triumph clearly made Robinson, a former deputy prime minister, a frontrunner, political analysts said.

In national terms, the THA election was a small affair, involving an electorate of just over 28,000. But the high interest generated gave the poll an air of national importance, with Prime Minister Chambers and leading opposition figures leading a high profile in the stormy electioneering. PNM officials scoffed at the opposition's interpretation of the election result as an indication that the PNM's long-held grip on state power was nearing its end. They also rejected opposition claims that Chambers' leadership would come under pressure within the party ranks, amid rumors of a leadership struggle. It is in the opposition's interest to create an impression for their own purposes that the PNM is an undisciplined party, said Education Minister Overand Padmore, an influential member of the hierarchy. Although the PNM polled more votes than in the first THA election in 1980, it will hardly take lightly the size of the DAC victory which marked a string of successes for Robinson against the PNM in the sister island. Under Robinson's leadership, the DAC in 1976 wrested from the PNM the two Tobago seats in the 36-member National Parliament. He pushed for and got the PNM central government to set up the THA in 1980. Later that year, the greying lawyer led the DAC to victory in the first THA elections, and repeated the win in 1981. The PNM has a 26-20 majority in the House of Representatives.

Internationally, Trinidad and Tobago received an image booster with its election to the United Nations Security Council for a two-year term. Government hopes the country would accrue economic and other benefits as a result of the influential position.

Politics and economics aside, Christians here were looking to the New Year when the Roman Catholic community will play host to Pope John Paul. He is due February 5 for a six hour visit, a first for the English-speaking Caribbean, and local Catholics are treating it as an extra-special occasion.

BURNHAM: 1985 'PROMISING BUT DIFFICULT'

FL021440 Bridgetown CANA in English 1414 GMT 2 Jan 85

[Text] Georgetown, Guyana, Jan 2, CANA -- President Forbes Burnham implored Guyanese in a New Year message to battle to establish socialism in the face of hostility from the United States. Burnham, who has presided over a severely depressed economy for some years, said 1985 looked promising but difficult for the country.

As the president spoke, the trade union movement painted a bleak picture of life in Guyana today, saying things are bad and seem to be getting worse each day, with complaints about rising unemployment and scarcity of essential commodities, skyrocketing prices, crime, and discriminatory employment practice. The reality of the situation today is that there is a feeling of widespread discontent and disillusionment in the country over the present economic affairs, said Joseph Pollydore, veteran general secretary of the Trades Union Congress (TUC).

Burnham called for continued dedication and determination from all Guyanese: We need an appreciation of the realities of the world and of the hostility that every success engenders from those who feel that we must always be satellites, from those who are opposed to the very concept of our democratising and therefore changing our historical economy and society, from those who have us dependent on their arrogant charity. The Guyanese leader, who has been in power since 1964, did not actually refer to Washington by name, but observers said it was clear his reference to hostility was directed at the United States, which has frowned on Burnham's socialist policies.

Burnham said that in the year ahead we must mobilise every loyal Guyanese for the task, the battle to establish socialism in our country in our time, where and when we shall have no foreign masters or copy book markers. Specifically, we must mobilise and inspire and involve the youth of our nation in the task of exploiting the resources which are ours nationally, the president said, making special mention of the international year of youth. He added that while Guyanese were better off and more confident than when we started (1984), let us not delude ourselves into believing that all is well and that movement forward will be smooth and automatic.

In his message, Pollydore said that the disillusionment among workers is also the result of the workers' experience in a number of instances in which the government, with the corporate support of some trade union leaders, contemptously exercised political power and bureacratic pressures against the interests of workers and their trade unions. He also claimed that there was ministerial pressure on workers who desire to switch to a union of their choice. Pollydore called on workers to commit themselves to take constructive initiatives and to join with the government and others concerned with Guyana's progress to make 1985 a better year.

TUC WILLING TO COOPERATE WITH GOVERNMENT

FL290000 Bridgetown CANA in English 2031 GMT 28 Dec 84

[Text] Georgetown, Guyana, Dec 28, CANA -- The president of the Trades Union Congress (TUC), now out of the control of the ruling Peoples National Congress (PNC), said today the organisation was willing to work with the government. George Daniels, who was elected at September's annual conference which saw PNC-supported unions unexpectedly lose their majority on the executive for the first time in 20 years, said: There must be an atmosphere of co-operation (and) respect for each other, through the process of dialogue to ensure that the workers' interests are protected and promoted and there is development of the economy.

He said the task before the TUC was a difficult one, but everything is possible and everything must be done to ensure that goals are achieved. The TUC has a task to ensure that the collective bargaining process is allowed to function without obstruction in the future once negotiations are taking place in good faith, he said. Daniels said he recently reminded the government that there was need for further meetings so that the organisation could pursue its 25 dollars (Guy) (one Guy dol; 22 cents U.S.) per day minimum wage claim in respect of 1984. President Forbes Burnham this month unilaterally announced a minimum daily wage of 15.10 dollars per day for an estimated 70,000 public sector workers who have already received the new scale and back pay retroactive to January 1.

JAGAN CALLS FOR POLITICAL PARTY CONFERENCE

FL312340 Bridgetown CANA in English 2320 GMT 31 Dec 84

[Text] Georgetown, Guyana, Dec 31, CANA -- Head of the Marxist opposition People's Progressive Party (PPP), Dr Cheddi Jagan, has called for a conference of the political parties here to work out ways for improving Guyana overall. In a New Year's message, the former Guyana premier said the ruling People's National Congress (PNC) must demonstrate that its prime consideration is not simply the retention of power. He added: It must, above all, demonstrate in practical deeds that it is seriously concerned with nation-building and the welfare of all. Dr Jagan said the parties conference should be convened to hammer out ways and means -- political, economic, ideological, institutional, and cultural -- whereby all Guyanese can cooperate to build a new Guyana.

DPRK TO AID IN AGRICULTURAL, INDUSTRIAL PROJECTS

FL011906 Bridgetown CANA in English 1811 GMT 1 Jan 85

[Text] Georgetown, Guyana, Jan 1, CANA -- The Democratic People's Republic of Korea (North Korea) is to provide technical and other assistance to Guyana this year in a number of agricultural and industrial projects, including establishment of a hydropower station, a government official here has said. North Korea will help with the setting up of a 1,000 hectare agriculture-industrial complex at Park Abary, 48 miles east of Georgetown, and the establishment of an agriculture research station, according to the official. It will also assist with the establishment of a 3.5 megawatt hydropower station at Eclipse Falls, in the vast mineral-rich Essequibo Region claimed by Guyana's neighbour, Venezuela. Technicians from Guyana and North Korea have already completed soil and other investigations with a view to determining the most suitable area for the dam axis. The joint Guyana-Korea project is the result of discussions two years ago between President Forbes Burnham and North Korean leader Kim Il-song. Other projects listed for joint undertaking include the exploration for an exploitation of manganese, gold and iron ore in the Essequibo region. North Korea will provide 100 tractors to help Guyana with its agricultural programmes.

GAWU PREVENTED FROM AIDING STRIKING UK MINERS

FL011240 Bonaire Trans World Radio in English 1130 GMT 1 Jan 85

[Text] The Guyanese Government has denied an application by the Guyana Agricultural Workers Union [GAWU] to make a contribution to striking British coal miners by refusing to release the corresponding foreign currency. Opposition leader Cheddi Jagan yesterday said the GAWU had applied to the Central Bank for foreign exchange equivalent to $625 to send the British National Union of Mineworkers but that the application had been denied. The money was to have gone to the striking workers relief fund.

BOLIVIA

FOREIGN MINISTER SAYS TALKS TO BEGIN WITH CHILE

PY012120 La Paz PRESENCIA in Spanish 23 Dec 84 p 1

[Excerpts] Foreign Minister Gustavo Fernandez on 22 December stated on returning from Montevideo, where he participated in the River Plate Basin meeting, that the Bolivian-Chilean meeting in Bogota to discuss Bolivia's landlocked situation and the resumption of relations between La Paz and Santiago has been confirmed. Fernandez said that Bolivia will take to the meeting a "coherent position reflecting the national consensus" to facilitate the talks with Chile on these matters. This meeting, which will take place in Bogota on 5 and 6 February, will be the first of a round of meetings during which Bolivia and Chile will gradually include the dialogue all the points of disagreement between the two countries until a final agreement is reached on Bolivia's landlocked situation and the resumption of bilateral ties.

CHILE

MERINO SAYS JUNTA CANNOT AMEND BEAGLE TREATY

PY030156 Santiago Radio Chilena in Spanish 2200 GMT 2 Jan 85

[Excerpts] Navy Commander in Chief Admiral Jose Toribio Merino this morning said that 1985 will be an easy year and he wished for abundant work opportunities for all Chileans. Adm Merino presided over a ceremony at the Defense Ministry during which five new rear admirals were invested. Here is a report by journalist Jose Francisco Contreras:

Adm Jose Toribio today made it clear that the legislative junta can either approve or reject the peace and friendship treaty with Argentina, but it is not entitled to introduce any amendments to it. Furthermore, Adm Merino asserted that 1985 will not be as difficult a year as some people have predicted. Greeting the five new admirals, Navy Commander in Chief Merino said that as members of the Navy High Command they will participate in the adoption of very significant measures that might LEAD the country to either war or peace. He added that although their decisions will be praised by some people and criticized by others, theirs is a privilege of the officers who rule over the sea. Merino wished success to the new rear admirals and asked them to take time to meditate because, quote, time to think is what the people who must adopt decisions need most, unquote.

Turning to another subject, Foreign Minister Jaime del Valle today took a leave of absence for a rest until 14 January. Deputy Foreign Minister Lieutenant General Sergio Covarrubias also today started a vacation until the end of January. Foreign Under Secretary Colonel Humberto Julio will serve as acting foreign minister during the first half of January. This has been a report by Jose Francisco Contreras from the Foreign Ministry.

PARAGUAY

FINANCE MINISTER COMMENTS ON FOREIGN DEBT

PY302145 Asuncion EL DIARIO in Spanish 30 Dec 84 p 8

[Excerpts] "We are happy to have a foreign debt of only $1.8 billion and no more..." Finance Minister Cesar Barrientos said yesterday in an impromptu speech delivered to directors and employees of the Internal Revenue and Property Tax Departments.

Continuing, the minister went on to say that "representatives of the countries with the largest foreign debts met in Cartagena, Colombia, but no Paraguayan was present at the meeting." Barrientos also pointed out that public finances showed a surplus this year and that this was possible thanks to the cooperation of the directors of the various departments and of the interventors-supervisors and officials of all categories.

SURINAME

UDENHOUT, SEVEN CABINET MEMBERS REAPPOINTED

FL021352 Bonaire Trans World Radio in English 1130 GMT 2 Jan 85

[Text] Suriname Prime Minister Wim Udenhout, who has been credited with helping return some basic democratic rights to Suriname, was sworn in for another term in office New Year's Eve by Acting President Fred Ramdat-Misier. Also reinstated were seven other members of the nine-man crisis cabinet, which was appointed last February after civil unrest threatened to topple the 4-year-old military government of Lieutenant Colonel Desi Bouterse. The provisional cabinet included two representatives each appointed by labor and the private sector, and five by the military authority. The cabinet, which resigned December 31 according to schedule, had generally been expected to be restored.

URUGUAY

MILITARY COURTS FREE 8 POLITICAL PRISONERS

PY290241 Madrid EFE in Spanish 1819 GMT 28 Dec 84

[Text] Montevideo, 28 Dec (EFE) -- Eight Uruguayan political prisoners have been set free for good behavior by the military courts after having served half of their sentences. The prisoners, six men and two women, were arrested between 1981 and 1983 for belonging to the banned Union of Communist Youth. These releases are part of the pacification and reinstitutionalization timetable agreed upon between the politicans and the military, a timetable that scheduled the elections for 25 November and the installation of a democratic government for 1 March 1985 after 11 years of dictatorship. The released prisoners were all happy to be free and were in good health, but confirmed that many prisoners suffering from diseases, and should be released soon. There are now nearly 450 political prisoners in the military regime's prisons and, despite the frequent releases, it is believed that some 280 political prisoners will still be in prison when the democratic government is installed.

TWO BROAD FRONT OFFICES BOMBED; NO INJURIES

PY010025 Paris AFP in Spanish 1958 GMT 31 Dec 84

[Text] Montevideo, 31 Dec (AFP) -- Informed sources today revealed in Montevideo that two other offices of the leftist Broad Front coalition have been the object of explosive attacks which caused heavy damages but no victims. According to the sources, the attackers placed gas tankers inside the two precincts and later set fire to them. As a result, one of the gas containers exploded causing considerable damage to the premises. Nobody has yet claimed responsibility for the two attacks. Other Broad Front precincts and a party members were objects of various attacks last week. It was recalled that the Broad Front nearly won the seat of the Montevideo mayorship during the 25 November general elections.